

STATE OF

RHODE ISLAND

AND PROVIDENCE PLANTATIONS

Lincoln C. Almond, Governor

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2001

Prepared By :

Department of Administration

Robert L. Carl, Jr., Ph.D., Director

Office of Accounts and Control

Lawrence C. Franklin, Jr., CPA, State Controller

TABLE OF CONTENTS

	<u>Page</u>
Statement of Revenues, Expenditures, and Changes in Fund Balance	83
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual.....	84
Statement of Revenues, Other Financing Sources, Expenditures, and Other Financing Uses - General Revenue Appropriations - Budget and Actual.....	85
Statement of General Fund Restricted Revenues, Expenditures, and Other Financing Sources and Uses - Budget and Actual	90
Statement of General Fund Operating Transfers In, Expenditures, and Other Financing Sources and Uses – Budget and Actual.....	94
Statement of General Fund Federal Revenues, Expenditures, and Other Financing Sources and Uses - Budget and Actual	97
 <u>Special Revenue Funds:</u>	
Combining Balance Sheet	108
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	109
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Budgeted Special Revenue Funds.....	110
Statement of Federal Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual – Intermodal Surface Transportation Fund	112
Statement of Restricted Revenues, Expenditures and Other Financing Sources and Uses - Budget and Actual - Intermodal Surface Transportation Fund	113
Statement of State Gasoline Tax Revenue and Bond Proceeds, Expenditures and Other Financing Sources and Uses - Budget and Actual - Intermodal Surface Transportation Fund.....	114
 <u>Debt Service Fund:</u>	
Balance Sheet	118
Statement of Revenues, Expenditures, and Changes in Fund Balance	119
 <u>Capital Projects Funds:</u>	
Combining Balance Sheet.....	122
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	123

TABLE OF CONTENTS

	<u>Page</u>
<u>Enterprise Fund:</u>	
Balance Sheet	126
Statement of Revenues, Expenses and Changes in Fund Equity	127
Statement of Cash Flows	128
<u>Internal Service Funds:</u>	
Combining Balance Sheet.....	130
Combining Statement of Revenues, Expenses, and Changes in Fund Equity	132
Combining Statement of Cash Flows	134
<u>Trust and Agency Funds:</u>	
Combining Balance Sheet	138
Combining Statement of Plan Net Assets – Pension Trust Funds	139
Combining Statement of Changes in Plan Net Assets – Pension Trust Funds.....	140
Statement of Revenues, Expenditures, and Changes in Fund Balance - Expendable Trust Fund - Employment Security.....	141
Combining Statement of Revenues, Expenses, and Changes in Fund Balances - Nonexpendable Trust Funds.....	142
Combining Statement of Cash Flows - Nonexpendable Trust Funds	143
Combining Statement of Changes in Assets and Liabilities - Agency Funds	144
<u>General Long-Term Debt Account Group:</u>	
Statement of General Long-Term Debt	146
Statement of Changes in General Long-Term Debt	147
<u>Component Units:</u>	
Combining Balance Sheet - Discretely Presented Governmental Component Units.....	150
Combining Statement of Revenues, Expenditures, and Changes in Fund Equity - Discretely Presented Governmental Component Units.....	151

TABLE OF CONTENTS

	<u>Page</u>
Combining Balance Sheet - Discretely Presented Proprietary Component Units.....	152
Combining Statement of Revenues, Expenses, and Changes in Fund Equity - Discretely Presented Proprietary Component Units	156
Combining Statement of Cash Flows - Discretely Presented Proprietary Component Units.....	160

STATISTICAL SECTION

Revenues by Source and Expenditures by Function - All Governmental Fund Types - Last Ten Fiscal Years	170
Percentage of Annual Debt Service For Governmental Debt to Total Expenditures - All Governmental Fund Types - Last Ten Fiscal Years	172
Ratio of General Obligation Debt Per Capita - Last Ten Fiscal Years.....	172
Schedule of Personal Income and Per Capita Personal Income - 1991 through 2000	173
Schedule of Economic Indicators - 1991 through 2000	173
Schedule of Ten Largest Private Employers in 2001	174
Schedule of Miscellaneous Statistics	174

INTRODUCTORY SECTION



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

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February 15, 2002

The Honorable Lincoln C. Almond, Governor
State of Rhode Island
State House
Providence, Rhode Island 02903

Dear Governor Almond:

In accordance with Section 35-6-1 of the General Laws, we are pleased to submit to you the Comprehensive Annual Financial Report of the State of Rhode Island and Providence Plantations for the fiscal year ended June 30, 2001. This report was prepared by the state's Department of Administration - Office of Accounts and Control. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation rests with management. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the state as measured by the financial activity of its various funds and component units; and that all disclosures necessary to enable the reader to gain the maximum understanding of the state's financial affairs have been included.

This report has been prepared in accordance with generally accepted accounting principles for governments as promulgated by the Governmental Accounting Standards Board. It is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter of transmittal, the organization chart, and a list of officials of state government. The Financial Section includes the Independent Auditor's Report, the general-purpose financial statements, required supplementary information and the combining and individual fund financial statements. The Statistical Section, which is unaudited, includes selected financial and demographic information, generally presented on a multi-year basis.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

Management of the state is responsible for establishing and maintaining an internal control structure designed to provide reasonable, but not absolute, assurance that the assets of the state are protected from loss, theft, or misuse and that adequate accounting data are compiled to allow for preparation of financial statements in conformity with generally accepted accounting principles. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. Managers in all branches and components of government are required to maintain comprehensive internal control systems, to regularly evaluate the effectiveness and adequacy of these systems by internal reviews, and to submit an annual report on these internal controls to the Governor in accordance with the 1986 Financial Integrity and Accountability Act.

Governor Lincoln C. Almond
February 15, 2002

The Governor is required to submit to the General Assembly an executive budget for the General Fund which contains a complete plan of expenditures for the ensuing fiscal year and identifies the anticipated revenues sufficient to meet the proposed expenditures. Preparation and submission of the budget is governed by both the state constitution and the General Laws of the state.

The budget as proposed by the Governor is considered by the General Assembly which, under state law, may increase, decrease, alter or strike out any items in the budget, provided the General Assembly may not take any action which would cause an excess of expenditures over expected revenues. No appropriation in excess of budget recommendations may be enacted by the General Assembly unless it shall provide the necessary additional revenue to cover such appropriation.

In addition, a State Budget Reserve Account is maintained within the General Fund. Annually, two percent of general revenues and opening surplus are set aside in this reserve account. Amounts in excess of three percent of the total general revenues and opening surplus are transferred to the bond capital fund to be used for capital projects, debt reduction and/or debt service. The reserve or any portion thereof, may be appropriated in the event of an emergency involving the health, safety or welfare of the citizens of the state or in the event of an unanticipated deficit in any given fiscal year, such appropriations to be approved by a majority of each chamber of the General Assembly. The balance in this reserve account at June 30, 2001 was \$79.7 million.

REPORTING ENTITY AND ITS SERVICES

The funds and component units included in this report are those for which the state is accountable, based on criteria for defining the reporting entity prescribed in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. The criteria include appointing a voting majority of an organization's governing body and (1) the ability of the state to impose its will on the organization or (2) the potential for the organization to provide specific financial benefits or impose specific financial burdens on the state. More information about the state reporting entity can be found in Note 1 to the general-purpose financial statements.

The state provides a full range of services contemplated by statute or character. These include education, health and social services, transportation, law, public safety, recreation, public improvements, and comprehensive support.

GENERAL FUND CONDITION

The General Fund accounts for the financing of the principal operations of state government and most jointly financed state-federal programs. Revenues and other sources of the General Fund totaled \$3.961 billion in fiscal year 2001, an increase of \$416 million (11.73%) from the previous year. The revenues from various sources and the change from the previous year are shown in the following tabulation (amounts in thousands):

	2001	2000	Increase (decrease) from 2000	
			Amount	Percent
<i>Taxes:</i>				
Personal income	\$ 913,806	\$ 817,079	\$ 96,727	11.84
Sales and use	827,453	744,238	83,215	11.18
General business	235,749	213,351	22,398	10.50
Other	34,941	43,111	(8,170)	(18.95)
Subtotal	2,011,949	1,817,779	194,170	10.68
Federal grants	1,213,491	1,060,819	152,672	14.39
Restricted revenues	77,333	114,140	(36,807)	(32.25)
Licenses, fines, sales, and services	205,043	170,233	34,810	20.45
Other general revenues	56,634	37,167	19,467	52.38
Subtotal	1,552,501	1,382,359	170,142	12.31
Total revenues	3,564,450	3,200,138	364,312	11.38
Other sources	396,488	345,107	51,381	14.89
Total revenues and other sources	\$ 3,960,938	\$ 3,545,245	\$ 415,693	11.73

Expenditures and other uses totaled \$3.914 billion in fiscal year 2001, an increase of \$374 million (10.57%) from the previous year. Changes in expenditures and other uses by function from fiscal 2000 are shown in the following tabulation (amounts in thousands):

	2001	2000	Increase (decrease) from 2000	
			Amount	Percent
General government	\$ 257,505	\$ 188,771	\$ 68,734	36.41
Human services	1,944,654	1,735,554	209,100	12.05
Education	63,324	59,869	3,455	5.77
Public safety	279,626	257,625	22,001	8.54
Natural resources	52,795	48,656	4,139	8.51
Capital outlay	30,979	26,371	4,608	17.47
Intergovernmental	848,126	760,691	87,435	11.49
<i>Debt service:</i>				
Principal	79,394	74,519	4,875	6.54
Interest	64,849	58,880	5,969	10.14
Total expenditures	3,621,252	3,210,936	410,316	12.78
Other uses	293,284	329,544	(36,260)	(11.00)
Total expenditures and other uses	\$ 3,914,536	\$ 3,540,480	\$ 374,056	10.57

As a result of the operating performance discussed above, the state's general fund ended fiscal 2001 with an undesignated fund balance of \$131.2 million.

Governor Lincoln C. Almond
February 15, 2002

CASH MANAGEMENT

The General Treasurer is responsible for the deposit of cash receipts and for the payment of sums, as may be required and upon due authorization from the State Controller. Major emphasis is placed by the General Treasurer on cash management in order to insure that there is adequate cash on hand to meet the obligations of the state as they arise.

The General Treasurer is also responsible for the investment of certain funds and accounts of the state on a day-to-day basis. In addition, the General Treasurer is the custodian of certain other funds and accounts and, in conjunction with the State Investment Commission, invests the amounts on deposit in such funds and accounts. The General Treasurer submits an annual report to the General Assembly on the performance of the state's investments.

DEBT ADMINISTRATION

Under the State Constitution, the General Assembly has no power to incur state debts in excess of \$50,000 without the consent of the people, except in the case of war, insurrection or invasion; or to pledge the faith of the state to the payment of obligations without such consent.

The state's general obligation bonds have been assigned ratings by Fitch, Inc. ("Fitch"), Moody's Investors Service ("Moody's") and Standard and Poor's ("Standard and Poor's"). Certain bonds that are designated as insured bonds, are rated "AAA", "Aaa", and "AAA" by Fitch, Moody's and Standard and Poor's, respectively. Payment of principal and interest on the insured bonds is guaranteed by a municipal bond insurance policy. Other than the insured bonds, the state's general obligation bonds are rated "AA", "Aa3", and "AA-" by Fitch, Moody's and Standard and Poor's, respectively. The state had \$853.8 million of general obligation bonds supported by taxes outstanding at fiscal year-end. During fiscal 2001, the state issued \$149.9 million of general obligation bonds and redeemed \$177.1 million. The total amount of general obligation bonded debt supported by taxes that was authorized by the voters, but not yet issued was \$318.5 million at June 30, 2001.

The state has reported \$147.4 million of revenue bonds of the R.I. Refunding Bond Authority (RIRBA) in the General Long-Term Debt Account Group. The bonds are secured by lease rentals payable by the state pursuant to lease agreements relating to projects financed by RIRBA and leased to the state, and to loan funds to the state to effect the advance refunding of general obligation bonds issued by the state in 1984.

In addition, the state has pledged or guaranteed the bonds and notes issued by or on behalf of certain agencies, commissions, and authorities of the state. At the end of fiscal 2001, this guaranteed debt amounted to \$18.4 million.

The state has entered into a lease agreement with the R.I. Convention Center Authority (RICCA) related to the RICCA's construction of a convention center and parking facilities. The lease agreement requires rental payments by the state in an amount sufficient to pay the operating expenses of the RICCA and debt service on its obligations. At June 30, 2001 the state's obligation to the RICCA amounted to \$315.8 million.

Governor Lincoln C. Almond
February 15, 2002

In addition, the state has entered into lease agreements with financial institutions to provide funding for certain capital acquisitions through the issuance of lease participation certificates. At June 30, 2001, \$126.5 million of certificates of participation remained outstanding.

It is important to note that repayment of obligations under capital leases is contingent upon and subject to annual appropriation by the General Assembly.

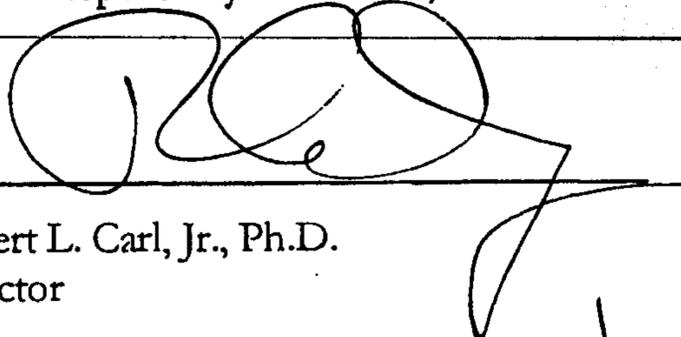
AUDIT

The general-purpose financial statements of the state have been audited by the Auditor General as required by Section 35-7-10 of the General Laws. The Independent Auditor's Report is included in the Financial Section of this report.

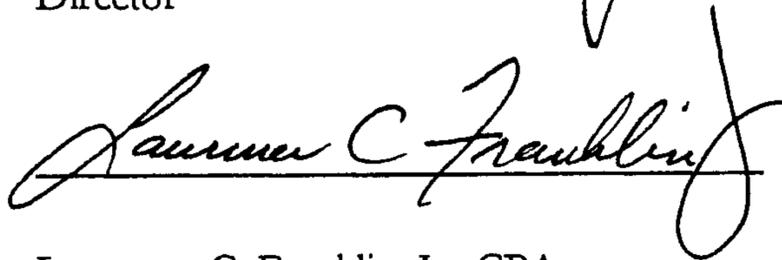
ACKNOWLEDGEMENTS

We wish to express our sincere appreciation to the many individuals who assisted and contributed to the preparation of this report. It could not have been accomplished without the professionalism and dedication demonstrated by the entire staff of the Office of Accounts and Control, the Treasury Department, the Office of the Auditor General, and numerous other state agencies. We also want to thank the Governor and members of the General Assembly for their interest and support in planning and conducting the financial operations of the state in a responsible and progressive manner.

Respectfully submitted,



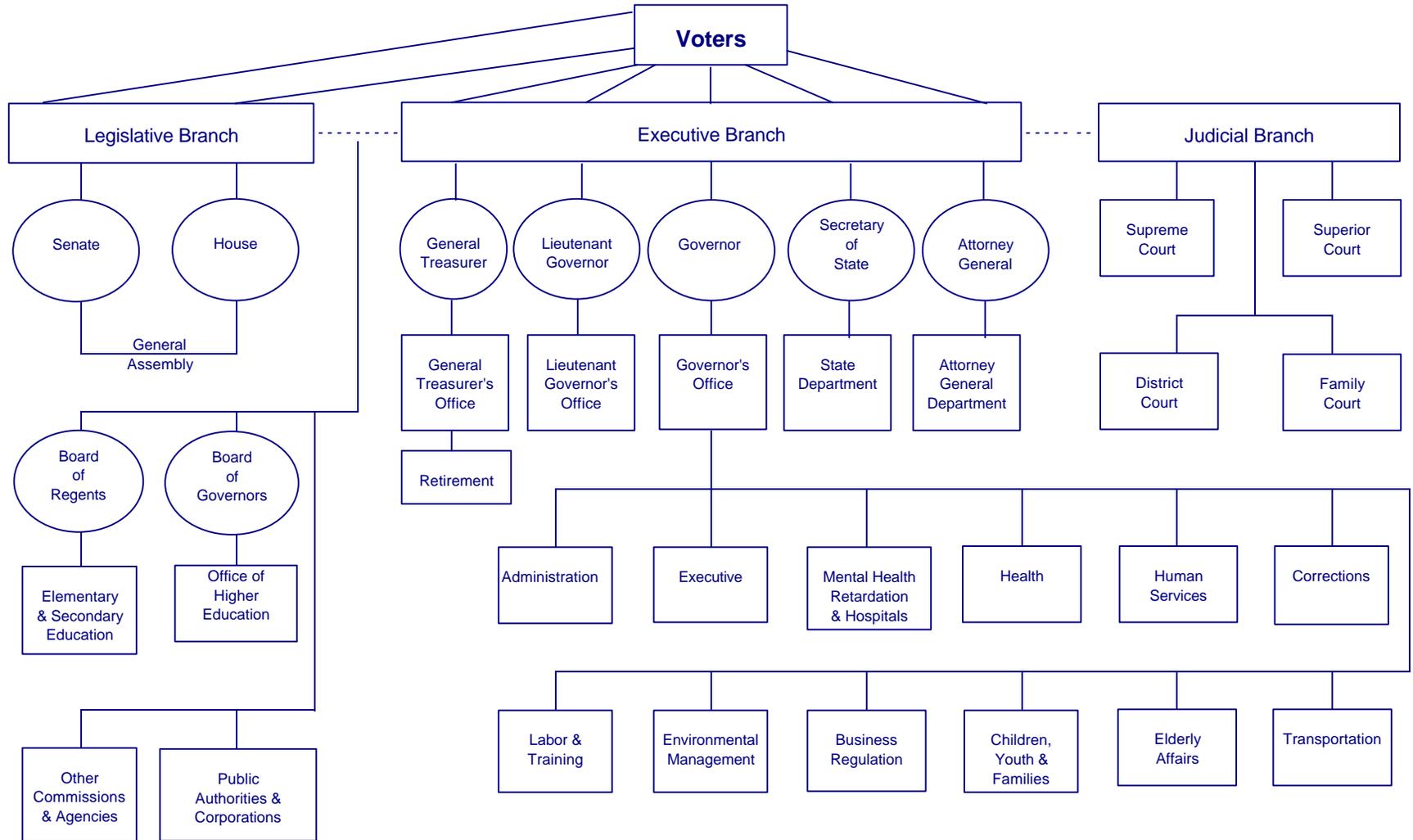
Robert L. Carl, Jr., Ph.D.
Director



Lawrence C. Franklin, Jr., CPA
State Controller

Rhode Island State Government

Organization Chart



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

OFFICIALS OF STATE GOVERNMENT

EXECUTIVE BRANCH

Governor

Lincoln C. Almond

Lieutenant Governor

Charles J. Fogarty

Secretary of State

Edward S. Inman, III

General Treasurer

Paul J. Tavares

Attorney General

Sheldon W. Whitehouse

LEGISLATIVE BRANCH

Senate

President Pro-Tempore of the Senate

John C. Revens Jr.

House of Representatives

Speaker of the House

John B. Harwood

JUDICIAL BRANCH

Chief Justice of the Supreme Court

Frank W. Williams

FINANCIAL SECTION



ERNEST A. ALMONTE, CPA, CFE
AUDITOR GENERAL
EALMONTE@OAG.STATE.RI.US

STATE OF RHODE ISLAND and PROVIDENCE PLANTATIONS

GENERAL ASSEMBLY

OFFICE of the AUDITOR GENERAL

- ◆ INTEGRITY
- ◆ RELIABILITY
- ◆ INDEPENDENCE
- ◆ ACCOUNTABILITY

INDEPENDENT AUDITOR'S REPORT

Finance Committee of the House of Representatives and
Joint Committee on Legislative Services, General Assembly,
State of Rhode Island and Providence Plantations:

We have audited the accompanying general-purpose financial statements of the State of Rhode Island and Providence Plantations (the State) as of and for the year ended June 30, 2001 as listed in the Table of Contents. These general-purpose financial statements are the responsibility of the State's management. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit. We did not audit the financial statements of certain component units which represent 100% of the assets and revenues of the discretely presented governmental component units; 99% of the assets and 95% revenues of the discretely presented proprietary component units; and 1% of the assets and revenues of the special revenue funds. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for these component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

The general-purpose financial statements do not include the statement of the general fixed assets account group which should be included in order to conform with accounting principles generally accepted in the United States of America. The State has not completed the accumulation of historical information as to the cost and classification of its investment in general fixed assets. The amount that should be recorded in the general fixed assets account group is not known.

In our opinion, based on our audit and the reports of other auditors, except for the effect on the general-purpose financial statements of the omission of the statement of the general fixed assets account group, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the State at June 30, 2001, and the results of its operations, the cash flows of its proprietary fund types, nonexpendable trust funds and proprietary component units, and the changes in plan net assets of its pension trust funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1(V), the State adopted GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

In accordance with *Government Auditing Standards*, we have also issued our report dated February 15, 2002 on our consideration of the State's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the State, taken as a whole. The Schedules of Funding Progress as listed in the Table of Contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it. The combining and individual fund statements, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the general-purpose financial statements of the State. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly presented in all material respects in relation to the general-purpose financial statements taken as a whole.

We did not audit the data included in the statistical section and, accordingly, express no opinion thereon.



Ernest A. Almonte, CPA, CFE
Auditor General

February 15, 2002

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FINANCIAL SECTION

GENERAL - PURPOSE FINANCIAL STATEMENTS

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED BALANCE SHEET

ALL FUND TYPES, ACCOUNT GROUPS, AND DISCRETELY PRESENTED COMPONENT UNITS

June 30, 2001

(Expressed in thousands)

Assets	Governmental Fund Types				Proprietary Fund Types	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise (State Lottery)	Internal Service
Cash and cash equivalents	\$ 211,089	\$ 102,609	\$ 23,660	\$ 141,570	\$ 4,799	\$ 3,613
Funds on deposit with fiscal agent			258	32,134		
Investments				16,343	1,840	
Receivables (net)	194,846	51,179			6,005	5,964
Due from other funds	73,275	20,532	29	19,435		6,393
Due from component units	5,112	1,647				
Due from primary government						
Due from other governments and agencies (net)	125,908	38,701		3,157		
Inventories					736	2,299
Loans to other funds	5,845					
Fixed assets (net)					513	4,344
Other assets	1,210	28		3,525	427	500
Amount available in debt service reserves						
Amount to be provided for retirement of general long-term obligations						
Rentals due						
Total assets	\$ 617,285	\$ 214,696	\$ 23,947	\$ 216,164	\$ 14,320	\$ 23,113
Liabilities and Fund Equity						
Liabilities:						
Cash overdraft	\$ 3,085	\$	\$	\$ 11,622	\$ 433	\$ 472
Vouchers and accounts payable	268,774	27,591		4,472	5,735	6,872
Due to other funds	12,913	48,078	23,213	40,207	1,461	1,413
Due to component units	1,838	2,162		1,200		
Due to primary government						
Due to other governments and agencies		831				
Accrued liabilities	23,353	2,028			476	2,236
Deferred revenue	15,772	541		66	141	
Loans from other funds				2,995		2,850
Other current liabilities	23,405			3,755		
Compensated absences						
Notes payable						
Loans payable						
Obligations under capital leases						1,343
Bonds payable						
Other long-term liabilities					5,967	
Total liabilities	349,140	81,231	23,213	64,317	14,213	15,186
Fund equity:						
Contributed capital						
Retained earnings:						
Reserved						1,456
Unreserved (deficit)					107	6,471
Fund balances:						
Reserved	136,963	310,625	734	57,182		
Unreserved:						
Designated		32,955		94,481		
Undesignated (deficit)	131,182	(210,115)		184		
Total fund equity	268,145	133,465	734	151,847	107	7,927
Total liabilities and fund equity	\$ 617,285	\$ 214,696	\$ 23,947	\$ 216,164	\$ 14,320	\$ 23,113

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Fiduciary Fund Types Trust and Agency	Account Group General Long-term Debt	TOTAL PRIMARY GOVERNMENT (Memorandum only)	Component Units		TOTAL REPORTING ENTITY (Memorandum only)
			Governmental	Proprietary	
\$ 17,620	\$	\$ 504,960	\$ 55,116	\$ 460,028	\$ 1,020,104
293,712		326,104			326,104
6,622,622		6,640,805	1,165	1,314,767	7,956,737
60,549		318,543	38,814	2,168,935	2,526,292
7,707		127,371			127,371
		6,759			6,759
			2,147	3,053	5,200
1,674		169,440		25,660	195,100
		3,035	2,830	1,968	7,833
		5,845			5,845
9,121		13,978	19,237	969,425	1,002,640
1,545		7,235	38,590	163,203	209,028
	19,922	19,922	800		20,722
	1,571,782	1,571,782	121,688		1,693,470
				7,815	7,815
<u>\$ 7,014,550</u>	<u>\$ 1,591,704</u>	<u>\$ 9,715,779</u>	<u>\$ 280,387</u>	<u>\$ 5,114,854</u>	<u>\$ 15,111,020</u>
\$	\$	\$ 15,612	\$ 5,830	\$	\$ 21,442
5,926		319,370	32,711	38,892	390,973
86		127,371			127,371
		5,200			5,200
			1,801	4,958	6,759
1,110		1,941		18,269	20,210
		28,093		85,094	113,187
		16,520	12,540	10,013	39,073
		5,845			5,845
506,762		533,922	4,830		538,752
	65,574	65,574	32,598		98,172
			2,272	17,005	19,277
			861	52,843	53,704
	442,275	443,618	21,624	34,681	499,923
	1,035,399	1,035,399	104,941	3,049,165	4,189,505
	48,456	54,423		306,145	360,568
<u>513,884</u>	<u>1,591,704</u>	<u>2,652,888</u>	<u>220,008</u>	<u>3,617,065</u>	<u>6,489,961</u>
				369,066	369,066
		1,456	15,127	734,046	750,629
		6,578		394,677	401,255
6,497,629		7,003,133	73,035		7,076,168
		127,436			127,436
3,037		(75,712)	(27,783)		(103,495)
<u>6,500,666</u>		<u>7,062,891</u>	<u>60,379</u>	<u>1,497,789</u>	<u>8,621,059</u>
<u>\$ 7,014,550</u>	<u>\$ 1,591,704</u>	<u>\$ 9,715,779</u>	<u>\$ 280,387</u>	<u>\$ 5,114,854</u>	<u>\$ 15,111,020</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS, AND DISCRETELY PRESENTED GOVERNMENTAL COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in thousands)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes	\$ 2,011,949	\$ 270,487	\$	\$
Licenses, fines, sales, and services	205,043	4,561		7,239
Departmental restricted revenue	77,333	6		
Federal grants	1,213,491	194,552		8,642
Income from investments	7,360	4,929	526	11,777
Other revenues	49,274	4,291		
Total revenues	3,564,450	478,826	526	27,658
Other financing sources:				
Bonds and notes issued				149,915
Lease certificates of participation issued				31,330
Operating transfers in	291,988	49,178		44,706
Operating transfers from primary government				
Operating transfers from component units	36,969	1,896	115	
Other	67,531		1,324	5,645
Total revenues and other financing sources	3,960,938	529,900	1,965	259,254
Expenditures:				
Current:				
General government	257,505	10,415		
Human services	1,944,654	132,808		
Education	63,324			
Public safety	279,626			
Natural resources	52,795	3,688		
Transportation		53,390		
Capital outlays	30,979	184,987		18,255
Intergovernmental	848,126	927		7,717
Debt service:				
Principal	79,394			
Interest and other charges	64,849		974	10,192
Total expenditures	3,621,252	386,215	974	36,164
Other financing uses:				
Payment to refunded bond escrow agent				123,020
Operating transfers out	50,461	62,154	2,775	80,656
Operating transfers to primary government				
Operating transfers to component units	242,823	62,796		38,539
Other				
Total expenditures and other financing uses	3,914,536	511,165	3,749	278,379
Revenues and other financing sources over (under) expenditures and other financing uses	46,402	18,735	(1,784)	(19,125)
Net gain from proprietary operations				
Fund balances, July 1, 2000, as restated	221,743	114,730	2,518	170,972
Fund balances, June 30, 2001	\$ 268,145	\$ 133,465	\$ 734	\$ 151,847

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Fiduciary Fund Types	TOTAL PRIMARY GOVERNMENT	Component Units	TOTAL REPORTING ENTITY
Expendable Trust	(Memorandum only)	Governmental	(Memorandum only)
\$ 139,847	\$ 2,422,283	\$	\$ 2,422,283
	216,843	192,807	409,650
	77,339		77,339
1,478	1,418,163	68,752	1,486,915
18,720	43,312		43,312
1,520	55,085	41,070	96,155
161,565	4,233,025	302,629	4,535,654
	149,915	9,339	159,254
	31,330		31,330
	385,872		385,872
		198,935	198,935
	38,980		38,980
5,482	79,982	350	80,332
167,047	4,919,104	511,253	5,430,357
	267,920		267,920
151,075	2,228,537		2,228,537
	63,324	484,168	547,492
	279,626		279,626
	56,483		56,483
	53,390		53,390
	234,221	31,268	265,489
	856,770		856,770
	79,394	624	80,018
	76,015	2,504	78,519
151,075	4,195,680	518,564	4,714,244
	123,020		123,020
	196,046		196,046
		4,373	4,373
	344,158		344,158
3,903	3,903	33	3,936
154,978	4,862,807	522,970	5,385,777
	56,297	(11,717)	44,580
12,069		13,880	13,880
320,038	830,001	58,216	888,217
\$ 332,107	\$ 886,298	\$ 60,379	\$ 946,677

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY

ALL PROPRIETARY FUND TYPES, SIMILAR TRUST FUNDS, AND DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in thousands)

	Proprietary Fund Types	
	Enterprise (State Lottery)	Internal Service
Operating revenues:		
Charges for services	\$ 978,020	\$ 97,466
Interest income		
Other operating income		861
Total operating revenues	978,020	98,327
Operating expenses:		
Personal services	3,146	13,088
Supplies, materials, and services	132,565	82,231
Interest expense		
Grant, scholarships, and contract programs		
Prize awards	662,975	
Depreciation, depletion, and amortization	217	732
Other operating expenses		
Total operating expenses	798,903	96,051
Operating income (loss)	179,117	2,276
Nonoperating revenues (expenses):		
Income from investments	969	44
Grants		
Gain on sale of property		
Interest expense		(89)
Other nonoperating revenues	684	
Total nonoperating revenue (expenses)	1,653	(45)
Income (loss) before transfers	180,770	2,231
Operating transfers in		317
Operating transfers out	(180,842)	
Operating transfers from primary government		
Operating transfers to primary government		
Income (loss) before extraordinary items	(72)	2,548
Extraordinary items		
Net income (loss)	(72)	2,548
Other changes in fund equity:		
Increase in contributed capital		
Other		
Net increase (decrease) in fund equity	(72)	2,548
Fund equity, July 1, 2000, as restated	179	5,379
Fund equity, June 30, 2001	\$ 107	\$ 7,927

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Fiduciary Fund Types	TOTAL PRIMARY GOVERNMENT (Memorandum only)	Component Units	TOTAL REPORTING ENTITY (Memorandum only)
Nonexpendable Trust		Proprietary	
\$ 50	\$ 1,075,536	\$ 202,312	\$ 1,277,848
(167)	(167)	194,066	193,899
	861	29,108	29,969
(117)	1,076,230	425,486	1,501,716
	16,234	104,970	121,204
209	215,005	116,583	331,588
		130,268	130,268
		11,744	11,744
	662,975		662,975
	949	49,567	50,516
		26,345	26,345
209	895,163	439,477	1,334,640
(326)	181,067	(13,991)	167,076
	1,013	14,926	15,939
		(1,361)	(1,361)
		432	432
	(89)	(38,346)	(38,435)
	684	21,900	22,584
	1,608	(2,449)	(841)
(326)	182,675	(16,440)	166,235
	317		317
	(180,842)		(180,842)
		81,593	81,593
		(36,494)	(36,494)
(326)	2,150	28,659	30,809
		9	9
(326)	2,150	28,668	30,818
		7,488	7,488
		472,947	472,947
(326)	2,150	509,103	511,253
3,362	8,920	988,686	997,606
\$ 3,036	\$ 11,070	\$ 1,497,789	\$ 1,508,859

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF CASH FLOWS

ALL PROPRIETARY FUND TYPES, SIMILAR TRUST FUNDS, AND DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

(Expressed in thousands)

	Proprietary Fund Types		Fiduciary	TOTAL	Component	TOTAL
	Enterprise (State Lottery)	Internal Service	Nonexpendable Trust	PRIMARY GOVERNMENT (Memorandum only)	Units Proprietary	REPORTING ENTITY (Memorandum only)
Cash flows from operating activities:						
Cash received from customers	\$ 982,954	\$ 95,856	\$ 50	\$ 1,078,860	\$ 580,159	\$ 1,659,019
Cash received from grants		661		661	1,885	2,546
Collections from loans and receivership assets					16,927	16,927
Cash payments to suppliers for goods and services	(3,470)	(83,209)	(209)	(86,888)	(135,479)	(222,367)
Cash payments to employees for services	(3,104)	(13,088)		(16,192)	(94,161)	(110,353)
Loans issued		(1,113)		(1,113)	(110,419)	(111,532)
Cash payments for claims, grants, and scholarships					(177,641)	(177,641)
Other operating revenue	895	1,674		2,569	16,249	18,818
Other operating expenses	(802,018)			(802,018)	(1,564)	(803,582)
Net cash provided by (used for) operating activities	175,257	781	(159)	175,879	95,956	271,835
Cash flows from noncapital financing activities:						
Proceeds from issuance of long-term debt					349,907	349,907
Payment of bonds and notes					(255,418)	(255,418)
Payment of interest					(132,125)	(132,125)
Proceeds from grants					17,212	17,212
Loans from other funds		2,463		2,463		2,463
Repayment of loans to other funds		(2,983)		(2,983)		(2,983)
Collection of loans and mortgages					318	318
Contract revenue					4,083	4,083
Operating transfers out	(192,282)			(192,282)		(192,282)
Operating transfers from primary government					80,693	80,693
Operating transfers to primary government					(47,686)	(47,686)
Grants issued					(1,510)	(1,510)
Negative cash balance implicitly financed	433	472		905	(361)	544
Net cash provided by (used for) noncapital financing activities	(191,849)	(48)		(191,897)	15,113	(176,784)
Cash flows from capital and related financing activities:						
Principal paid on revenue bonds					(12,903)	(12,903)
Proceeds from issuance of long-term debt					1,900	1,900
Payment of interest		(89)		(89)	(38,181)	(38,270)
Payment of notes and loans					(9,747)	(9,747)
Payment of capital lease obligations		(448)		(448)	(723)	(1,171)
Payment of financing costs					(656)	(656)
Payment for the purchase of program rights					(497)	(497)
Acquisition of capital assets	(193)	(496)		(689)	(73,904)	(74,593)
Contributed capital		317		317	24,829	25,146
Proceeds from capital grants					23,580	23,580
Proceeds from sale of assets					1,846	1,846
Net cash provided by (used for) capital and related financing activities	(193)	(716)		(909)	(84,456)	(85,365)
Cash flows from investing activities:						
Purchase of investments			(731)	(731)	(675,128)	(675,859)
Proceeds from sale and maturity of investments	1,210		891	2,101	612,932	615,033
Interest on investments	969	44	114	1,127	67,049	68,176
Net cash provided by (used for) investing activities	2,179	44	274	2,497	4,853	7,350
Net increase (decrease) in cash and cash equivalents	(14,606)	61	115	(14,430)	31,466	17,036
Cash and cash equivalents, July 1, 2000	19,405	3,552	654	23,611	409,887	433,498
Cash and cash equivalents, June 30, 2001	\$ 4,799	\$ 3,613	\$ 769	\$ 9,181	\$ 441,353	\$ 450,534

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

	Proprietary Fund Types		Fiduciary	TOTAL	Component	TOTAL
	Enterprise (State Lottery)	Internal Service	Fund Types Nonexpendable Trust	PRIMARY GOVERNMENT (Memorandum only)	Units Proprietary	REPORTING ENTITY (Memorandum only)
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ 179,117	\$ 2,276	\$ (326)	\$ 181,067	\$ (13,991)	\$ 167,076
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation, depletion, and amortization	217	732		949	49,567	50,516
Interest on investments and other income	(1,170)		167	(1,003)	(58,565)	(59,568)
Interest expense and other charges					130,815	130,815
Provision for cost of scholarships					1,100	1,100
Landfill postclosure costs					(1,827)	(1,827)
(Increase) decrease in assets:						
Receivables	(1,154)	(3,026)		(4,180)	(34,355)	(38,535)
Inventories	68	(6)		62	114	176
Prepaid items		(500)		(500)	(131)	(631)
Other assets	1,868			1,868	(3,527)	(1,659)
Increase (decrease) in liabilities:						
Accounts payable and accrued expenses	(1,137)	1,305		168	13,367	13,535
Deferred revenue	(114)			(114)	(153)	(267)
Escrow deposits					13,542	13,542
Other liabilities	(2,438)			(2,438)		(2,438)
Subtotal	(3,860)	(1,495)	167	(5,188)	109,947	104,759
Net cash provided by (used for) operating activities	\$ 175,257	\$ 781	\$ (159)	\$ 175,879	\$ 95,956	\$ 271,835
Noncash investing, capital, and financing activities:						
Assets acquired through loan program	\$	\$	\$	\$	\$ 7,550	\$ 7,550
Interest capitalized					100	100
Land transfers					(837)	(837)
Total noncash transactions	\$	\$	\$	\$	\$ 6,813	\$ 6,813

Cash and cash equivalents in the Fiduciary Fund Types on the Combined Balance Sheet include:

Expendable Trust Funds	\$ 1,323
Pension Trust Funds	1,154
Agency Fund	14,374
Nonexpendable Trust Funds	769
Total	<u>\$ 17,620</u>

Cash and cash equivalents for Proprietary Component Units on the Combined Balance Sheet include:

Cash and cash equivalents from Statement of Cash Flow	\$ 441,353
R.I. Housing Mortgage Finance Corporation - Affordability Housing Trust	5,542
R.I. Higher Education Assistance Authority - CollegeBoundfund Program Fund	6,312
R.I. Higher Education Assistance Authority - Federal Student Loan Reserve Fund	6,821
Total	<u>\$ 460,028</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL**

GENERAL FUND AND BUDGETED SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2001

(Expressed in thousands)

	General Fund		
	Budget	Actual	Variance
Revenues:			
Taxes	\$ 2,011,700	\$ 2,011,949	\$ 249
Licenses, fines, sales, and services	197,000	205,043	8,043
Departmental restricted revenue	52,273	77,333	25,060
Federal grants	1,288,036	1,213,491	(74,545)
Other revenues	57,500	56,634	(866)
Total revenues	<u>3,606,509</u>	<u>3,564,450</u>	<u>(42,059)</u>
Other financing sources:			
Operating transfers in	282,431	291,988	9,557
Operating transfers from component units	35,255	36,969	1,714
Other	72,152	67,531	(4,621)
Total revenues and other financing sources	<u>3,996,347</u>	<u>3,960,938</u>	<u>(35,409)</u>
Expenditures:			
Current:			
General government	271,521	257,505	14,016
Human services	1,980,267	1,944,654	35,613
Education	90,184	63,324	26,860
Public safety	290,371	279,626	10,745
Natural resources	65,842	52,795	13,047
Transportation			
Capital outlays	30,480	30,979	(499)
Intergovernmental	851,821	848,126	3,695
Debt service:			
Principal	81,397	79,394	2,003
Interest and other charges	62,739	64,849	(2,110)
Total expenditures	<u>3,724,622</u>	<u>3,621,252</u>	<u>103,370</u>
Other financing uses:			
Operating transfers out	45,160	50,461	(5,301)
Operating transfers to component units	237,695	242,823	(5,128)
Total expenditures and other financing uses	<u>4,007,477</u>	<u>3,914,536</u>	<u>92,941</u>
Revenues and other financing sources over (under) expenditures and other financing uses	(11,130)	46,402	57,532
Fund balances, July 1, 2000, as restated	221,743	221,743	
Fund balances, June 30, 2001	<u>\$ 210,613</u>	<u>\$ 268,145</u>	<u>\$ 57,532</u>

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Budgeted Special Revenue Funds			Total (Memorandum Only)		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 266,767	\$ 270,487	\$ 3,720	\$ 2,278,467	\$ 2,282,436	\$ 3,969
			197,000	205,043	8,043
25,560	6	(25,554)	77,833	77,339	(494)
231,762	194,552	(37,210)	1,519,798	1,408,043	(111,755)
3,500	8,887	5,387	61,000	65,521	4,521
<u>527,589</u>	<u>473,932</u>	<u>(53,657)</u>	<u>4,134,098</u>	<u>4,038,382</u>	<u>(95,716)</u>
	45,290	45,290	282,431	337,278	54,847
			35,255	36,969	1,714
			72,152	67,531	(4,621)
<u>527,589</u>	<u>519,222</u>	<u>(8,367)</u>	<u>4,523,936</u>	<u>4,480,160</u>	<u>(43,776)</u>
6,159	5,490	669	277,680	262,995	14,685
128,000	132,808	(4,808)	2,108,267	2,077,462	30,805
			90,184	63,324	26,860
			290,371	279,626	10,745
			65,842	52,795	13,047
88,642	53,045	35,597	88,642	53,045	35,597
180,510	184,987	(4,477)	210,990	215,966	(4,976)
	756	(756)	851,821	848,882	2,939
			81,397	79,394	2,003
			62,739	64,849	(2,110)
<u>403,311</u>	<u>377,086</u>	<u>26,225</u>	<u>4,127,933</u>	<u>3,998,338</u>	<u>129,595</u>
56,100	62,154	(6,054)	101,260	112,615	(11,355)
72,388	61,924	10,464	310,083	304,747	5,336
<u>531,799</u>	<u>501,164</u>	<u>30,635</u>	<u>4,539,276</u>	<u>4,415,700</u>	<u>123,576</u>
(4,210)	18,058	22,268	(15,340)	64,460	79,800
4,900	112,632	107,732	226,643	334,375	107,732
<u>\$ 690</u>	<u>\$ 130,690</u>	<u>\$ 130,000</u>	<u>\$ 211,303</u>	<u>\$ 398,835</u>	<u>\$ 187,532</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF PLAN NET ASSETS

PENSION TRUST FUNDS

June 30, 2001

(Expressed in thousands)

	Employees' Retirement System	Municipal Employees' Retirement System	State Police Retirement Benefits Trust	Judicial Retirement Benefits Trust	TOTAL (Memorandum only)
Assets					
Cash and cash equivalents	\$ 685	\$ 174	\$ 181	\$ 114	\$ 1,154
Receivables:					
Member contributions	11,467	1,489			12,956
Employer contributions	9,624	1,510			11,134
Due from other funds	7,569				7,569
Miscellaneous	1,341	195	6	4	1,546
Total receivables	30,001	3,194	6	4	33,205
Investments, at fair value:					
Equity in short-term investment fund	4,323	2,653			6,976
Equity in pooled trust	5,296,572	776,856	12,354	7,886	6,093,668
Plan specific investments	27,325				27,325
Total investments before lending activities	5,328,220	779,509	12,354	7,886	6,127,969
Invested securities lending collateral	381,179	55,908	889	568	438,544
Property and equipment, at cost, net of accumulated depreciation					
Line of Business System in Development	7,468	1,090	15	10	8,583
Computer Equipment (net of accumulated depreciation \$134,535)	468	68	1	1	538
Total Property and Equipment	7,936	1,158	16	11	9,121
Total assets	5,748,021	839,943	13,446	8,583	6,609,993
Liabilities					
Securities lending liability	381,179	55,908	889	568	438,544
Vouchers and accounts payable	5,164	743	12	8	5,927
Total liabilities	386,343	56,651	901	576	444,471
Net assets held in trust for pension benefits	\$ 5,361,678	\$ 783,292	\$ 12,545	\$ 8,007	\$ 6,165,522

The accompanying notes are an integral part of these financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINED STATEMENT OF PLAN NET ASSETS

PENSION TRUST FUNDS

June 30, 2001

(Expressed in thousands)

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The accompanying notes are an integral part of these financial statements.

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

INDEX

	Page
Note 1. Summary of Significant Accounting Policies	28
Note 2. Budgeting and Budgetary Control	38
Note 3. Cash, Cash Equivalents and Investments	45
Note 4. Receivables	49
Note 5. Intra-Entity Receivables and Payables	50
Note 6. Fixed Assets	51
Note 7. Long-Term Obligations	52
Note 8. Reservations and Designations of Fund Equity	59
Note 9. Operating Transfers	62
Note 10. Operating Lease Commitments	64
Note 11. Commitments	64
Note 12. Contingencies	67
Note 13. Employer Pension Plans	69
Note 14. Postemployment Benefits	71
Note 15. Deferred Compensation	71
Note 16. Fund Deficits	71
Note 17. Restatement of Fund Equity	72
Note 18. Segment Information	73
Note 19. Risk Management	74
Note 20. Extraordinary Items	75
Note 21. Related Party Transactions	75
Note 22. Subsequent Events	76

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Note 1. Summary Of Significant Accounting Policies

A. Basis of Presentation

The accompanying general-purpose financial statements have been prepared in conformance with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB), except as described in Note 1(D). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. In accordance with GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," in the absence of specific guidance from GASB pronouncements, pronouncements of the Financial Accounting Standards Board issued on or before November 30, 1989 have been followed.

B. Reporting Entity

The general-purpose financial statements include all funds and account groups of the State of Rhode Island and Providence Plantations (the state) and its component units. GASB defines component units as legally separate entities for which a primary government (the state) is financially accountable or, if not financially accountable, their exclusion would cause the state's financial statements to be misleading. GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an entity's governing body and (1) the ability of the state to impose its will on that entity or (2) the potential for the entity to provide specific financial benefits to, or impose specific financial burdens on the state. The state has considered all agencies, boards, commissions, public benefit authorities and corporations, the state university and colleges and the Central Falls School District as potential component units. Audited financial statements of the individual component units can be obtained from their respective administrative offices.

Blended Component Units

These component units are entities which are legally separate from the state, but are so intertwined with the state that they are in substance, the same as the state. They are reported as part of the state and blended into the appropriate funds.

State Lottery Fund (Lottery) - This fund is used to account for the revenues generated by the State Lottery Commission in conducting various lottery games. According to statute, earnings after allocation for prize awards and payment of expenses shall be transferred to the state's general fund. For more detailed information, a copy of the financial statements can be obtained by writing to the State Lottery Commission, 1425 Pontiac Avenue, Cranston, RI 02920.

Rhode Island Refunding Bond Authority (RIRBA) - This authority was created by law for the purpose of loaning money to the state to provide funds to pay, redeem, or retire certain general obligation bonds. In fiscal 1998, the state abolished the R.I. Public Buildings Authority (RIPBA) and assigned the responsibility for managing RIPBA's outstanding debt to the RIRBA. RIPBA was previously reported as a blended component unit. The RIRBA is authorized to issue bonds. Even though it is legally separate, the RIRBA is reported as if it

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

were part of the primary government because it provides services entirely to the primary government. It is blended into the Capital Projects Funds and the General Long-Term Debt Account Group. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Refunding Bond Authority, State House, Providence, RI 02903.

Rhode Island Economic Policy Council (RIEPC) - This council is a non-profit organization created by executive order in March 1995 and incorporated in January 1996. The purpose of the council is to work closely with state officials to identify issues facing the state's economy, to develop and recommend creative strategies and policies to address them, to advise the state legislature in policy matters relating to economic development, and to administer a program designed to foster private technology commercialization and plant and process modernization through research centers, higher education partnerships and cluster collaboratives. It is blended into the Special Revenue Funds. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Economic Policy Council, 15 Westminster Street Suite 615, Providence, RI 02903-2417.

Discretely Presented Component Units

Discretely presented component units are reported in separate columns in the combined financial statements to emphasize that they are legally separate from the primary government. They are financially accountable to the primary government, or have relationships with the primary government such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. These discretely presented component units serve or benefit those outside of the primary government. Discretely presented component units are:

Governmental Component Units

University and Colleges - The Board of Governors for Higher Education has oversight responsibility for the University of Rhode Island, Rhode Island College and Community College of Rhode Island. The Board is appointed by the Governor with approval of the Senate. The university and colleges are funded through state appropriations, tuition, federal grants, private donations and grants. For more detailed information, a copy of the financial statements can be obtained by writing to the University of Rhode Island, Carlotti Administration Building, Kingston, RI 02881; Rhode Island College, Mount Pleasant Avenue, Providence, RI 02908; and Community College of Rhode Island, 400 East Avenue, Warwick, RI 02886-1805.

Central Falls School District - The Rhode Island General Assembly passed an act which provided for the state to assume an administrative takeover of the Central Falls School District. The Governor appointed a special state administrator who replaced the school committee. The state administrator reports to the Commissioner of Elementary and Secondary Education. The District's purpose is to provide elementary and secondary education to residents of the City of Central Falls. For more detailed information, a copy of the financial statements can be obtained by writing to the Central Falls School District, 21 Hadley Avenue, Central Falls, RI 02863.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Proprietary Component Units

Rhode Island Housing and Mortgage Finance Corporation (RIHMFC) - This Corporation, established in 1973, was created in order to expand the supply of housing available to persons of low and moderate income and to stimulate the construction and rehabilitation of housing and health care facilities in the state. It has the power to issue notes and bonds to achieve its corporate purpose. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Housing and Mortgage Finance Corporation, 44 Washington Street, Providence, RI 02903-1721.

Rhode Island Student Loan Authority (RISLA) - This Authority, established in 1981, was created in order to provide a statewide student loan program through the acquisition of student loans. It has the power to issue bonds and notes, payable solely from its revenues. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Student Loan Authority, 560 Jefferson Boulevard, Warwick, RI 02886.

Rhode Island Turnpike and Bridge Authority (RITBA) - This Authority was created by the General Assembly as a body corporate and politic, with powers to construct, acquire, maintain and operate bridge projects as defined by law. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Turnpike and Bridge Authority, P.O. Box 437, Jamestown, RI 02835-0437.

Rhode Island Economic Development Corporation (RIEDC) - This Corporation was created in 1995 as a result of a merger by the General Assembly of the Rhode Island Port Authority (RIPAEDC) and former Department of Economic Development. The purpose of RIEDC is to promote and encourage the preservation, expansion, and sound development of new and existing industry, business, commerce, agriculture, tourism, and recreational facilities in the state, which will promote economic development. It has the power to issue tax-exempt industrial development bonds to accomplish its corporate purpose. Prior to 1995, the RIPAEDC created a subsidiary corporation, the R. I. Airport Corporation, to manage the state's six airports. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Economic Development Corporation, One West Exchange Street, Providence, RI 02903.

Rhode Island Convention Center Authority (RICCA) - This Authority was created in 1987 to facilitate the construction and development of a convention center, parking garages and related facilities within the City of Providence. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Convention Center Authority, One West Exchange Street, Providence, RI 02903.

Narragansett Bay Commission (NBC) - This Commission was created for the purposes of acquiring, planning, constructing, extending, improving, operating and maintaining publicly owned wastewater treatment facilities. NBC receives contributed capital from the state to upgrade its facilities. For more detailed information, a copy of the financial statements can be obtained by writing to the Narragansett Bay Commission, One Service Road, Providence, RI 02905.

Rhode Island Health and Educational Building Corporation (RIHEBC) - This Corporation has the following purposes: (1) to assist in providing financing for education facilities for colleges

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

and universities operating in the state; (2) to assist hospitals in the state in the financing of health care facilities; (3) to assist stand-alone, non-profit assisted-living and adult daycare facilities; (4) to assist in financing a broad range of non-profit health care providers; and (5) to assist in financing non-profit secondary schools and child care centers. RIHEBC issues bonds, notes and leases which are special obligations of RIHEBC payable from revenues derived from the projects financed or other moneys of the participating education institution or health care institution. The bonds, notes and leases do not constitute a debt or pledge of the faith and credit of RIHEBC or the state and accordingly have not been reported in the accompanying financial statements. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Health and Educational Building Corporation, 400 Westminster Street, Providence, RI 02903.

Rhode Island Resource Recovery Corporation (RIRRC) - This Corporation was established in 1974 in order to provide and/or coordinate solid waste management services to municipalities and persons within the state. RIRRC has the power to issue negotiable bonds and notes to achieve its corporate purpose. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Resource Recovery Corporation, 65 Shun Pike, Johnston, RI 02919.

Rhode Island Depositors Economic Protection Corporation (DEPCO) - This Corporation was created in 1991 to assist in protecting the interests of depositors of certain financial institutions in the state which had been closed when their private deposit insurer failed, thereby leaving those institutions without deposit insurance as required by statute. DEPCO is empowered to acquire all or a portion of the assets of the closed institutions thereby aiding the prompt repayment of the deposit liabilities of the closed institutions. DEPCO has the power to issue negotiable bonds and notes to achieve its corporate purpose. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Depositors Economic Protection Corporation, 832 Dyer Avenue, Cranston, RI 02920.

Rhode Island Higher Education Assistance Authority (RIHEAA) - This Authority was created by law in 1977 for the dual purpose of guaranteeing loans to students in eligible institutions and administering other programs of post secondary student assistance. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Higher Education Assistance Authority, 560 Jefferson Boulevard, Warwick, RI 02886.

Rhode Island Public Transit Authority (RIPTA) - This Authority was established in 1964 to acquire any mass motor bus transportation system if that system has previously filed a petition to discontinue its service and further, if RIPTA determines it is in the public interest to continue such service. Revenues of RIPTA include operating assistance grants from the federal and state governments. For more detailed information, a copy of their financial statements can be obtained by writing to the R.I. Public Transit Authority, 265 Melrose Street, Providence, RI 02907.

Rhode Island Industrial Facilities Corporation (RIIFC) - The purpose of this Corporation is to issue revenue bonds, construction loan notes and equipment acquisition notes for the financing of projects which further industrial development in the state. All bonds and notes issued by RIIFC are payable solely from the revenues derived from leasing or sale by RIIFC of its projects. The bonds and notes do not constitute a debt or pledge of the faith and credit of RIIFC or the state and accordingly have not been reported in the accompanying financial

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

statements. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Industrial Facilities Corporation, One West Exchange Street, Providence, RI 02903.

Rhode Island Clean Water Finance Agency (RICWFA) - This Agency was established in 1991 for the purpose of providing financial assistance in the form of loans to municipalities, sewer commissions and waste water management districts in the state for the construction or upgrading of water pollution abatement projects. RICWFA receives capital grants from the state and federal governments and is authorized to issue revenue bonds and notes. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Clean Water Finance Agency, 235 Promenade Street, Suite 119, Providence, RI 02908.

Rhode Island Industrial-Recreational Building Authority (RIIRBA) - This Authority is authorized to insure first mortgages and first security agreements granted by financial institutions and the Rhode Island Industrial Facilities Corporation for companies conducting business in the state. Any losses realized in excess of the fund balance would be funded by the state. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Industrial-Recreational Building Authority, One West Exchange Street, Providence, RI 02903.

Rhode Island Water Resources Board Corporate (RIWRBC) - This Board was created by law to foster and guide the development of water resources including the establishment of water supply facilities and lease these facilities to cities, towns, districts, and other municipal, quasi-municipal or private corporations engaged in the water supply business in the state. RIWRBC is authorized to issue revenue bonds which are payable solely from revenues generated by the lease of its facilities or the sale of water. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Water Resources Board Corporate, 100 North Main Street, Providence, RI 02903.

Rhode Island Public Telecommunications Authority (RIPTCA) - This Authority owns and operates a non-commercial educational television station in the state. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Public Telecommunications Authority, 50 Park Lane, Providence, RI 02907-3124.

Rhode Island Children's Crusade for Higher Education (RICCHE) - This is a Rhode Island nonprofit corporation formed for the purpose of fostering the education of economically disadvantaged youth through scholarship awards, summer jobs programs, and mentoring programs for parents and students. For more detailed information, a copy of the financial statements can be obtained by writing to the R.I. Children's Crusade for Higher Education, The 134 Center, Suite 111, 134 Thurbers Avenue, Providence, RI 02905.

C. Fund Accounting

The general-purpose financial statements have been prepared from accounts maintained by the State Controller and from reports prescribed by the State Controller and prepared by the component units based on independent accounting systems maintained by those entities.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The state uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. An account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The state records its transactions in the fund types and account group described below.

Governmental Fund Types

General - is the general operating fund of the state and is used to account for all financial transactions except those required to be accounted for in another fund. Included within this fund are the operations of most jointly financed state - federal programs.

Special Revenue - is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and where a separate fund is mandated.

Debt Service - is used to account for the accumulation of resources for, and the payment of, long-term debt. The state's debt service fund is funded by annual appropriations that approximate the annual interest savings from debt refundings and other sources.

Capital Projects - accounts for resources obtained and used for the acquisition, construction or improvement of capital facilities not reported in other governmental or proprietary funds. Such resources are derived principally from the proceeds of general obligation bonds, revenue bonds, lease participation certificates, and operating transfers from the general fund.

Proprietary Fund Types

Enterprise - is used to account for activities that are financed and operated in a manner similar to private business enterprises where (1) the costs of providing goods or services to the general public on a continuing basis are to be financed or recovered through user charges; or (2) the periodic determination of revenues earned, expenses incurred and/or net income is appropriate. The State Lottery Fund is the only fund in this category.

Internal Service - is used to account for the financing and providing of specified goods and services, on a centralized basis, for other departments and agencies.

Fiduciary Fund Types

Trust and Agency - is used to account for transactions related to assets held by the state in a trustee or agency capacity. These include pension trust funds, expendable and nonexpendable trust funds, and agency funds.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Account Group

General Long-Term Debt Account Group - accounts for all general long-term debt and other long-term obligations of the primary government not accounted for in the proprietary funds. Significant long-term obligations include general obligation bonds, revenue bonds, capital leases and compensated absences.

D. Basis of Accounting

All governmental fund types, expendable trust funds, agency funds and governmental component units are accounted for using the current financial resources measurement focus and are maintained on the modified accrual basis of accounting. Under this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) as changes in net current assets.

Under the modified accrual basis of accounting, revenues, grants, entitlements and related receivables are recorded in the accounting period that they become both measurable and available, i.e., earned and collected or expected to be collected within the next 12 months. Tax revenues are recorded by the state as taxpayers earn income (personal and business income taxes), as sales are made (sales and use taxes) and as the taxable event occurs (miscellaneous taxes), net of estimated refunds. Deferred revenues offset taxes receivable not expected to be collected within the next 12 months. Grant revenue is recorded when the related expenditure has been made. Cash advances from grants are reported as deferred revenue.

Expenditures are recorded when the related fund liability is incurred. Exceptions to the general modified accrual expenditure recognition criteria include principal and interest on general long-term debt which are recognized when due and compensated absences which are recognized when paid.

On-behalf payments for fringe benefits are reported the same as direct payments to grantees. Therefore, both the state aid to local public school districts and the state's share of the employers' contribution, as required by General Laws, to the Employees' Retirement System for teachers employed by local public school districts are reported as intergovernmental expenditures (operating transfers out for the Central Falls School District) in the general fund.

Unexpended general revenue appropriations, as reappropriated by the Governor, and unexpended restricted revenues and operating transfers in are carried forward at fiscal year end and are available for expenditure in the following fiscal year. The amounts carried forward are reflected in the combined balance sheet as part of fund equity.

All proprietary fund types, pension trust funds, nonexpendable trust funds and proprietary component units are accounted for using the economic resources measurement focus and are maintained on the accrual basis of accounting. Under the accrual basis of accounting, revenues and grants are recognized when earned and expenses are recognized at the time related liabilities are incurred. All assets and liabilities associated with the operation of these

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

funds are included on the combined balance sheet. Fund equity is segregated into contributed capital and retained earnings/fund balance.

The financial statements of R.I. Children's Crusade for Higher Education (RICCHE) are prepared in conformity with generally accepted accounting principles using FASB guidance.

E. Cash and Cash Equivalents

Cash represents amounts in demand deposit accounts with financial institutions. Cash equivalents are highly liquid investments with a maturity of three months or less at the time of purchase.

The state does not pool its cash deposits.

F. Funds on Deposit with Fiscal Agent

Funds on deposit with fiscal agent in the capital projects funds and trust and agency funds are the unexpended portion of certificates of participation and funds held by the United States Treasury Department for the payment of unemployment benefits, respectively.

G. Investments

Investments are generally stated at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than a forced or liquidation sale. Short-term investments are stated at amortized cost, which approximates fair value.

The pension trust funds may enter into foreign currency exchange contracts to minimize the short-term impact of foreign currency fluctuations on the asset and liability positions of foreign investments. The gains or losses on these contracts are included in income in the period in which the exchange rates change. Gains and losses on contracts which hedge specific foreign currency denominated commitments are deferred and recognized in the period in which the transaction is completed. By policy, no more than 50% of actively managed foreign equity securities (at fair value) may be hedged into the base currency (U.S. dollars).

H. Receivables

Receivables are stated net of allowances for uncollectable and unavailable amounts.

I. Due From Other Governments and Agencies

Due from other governments and agencies represents principally amounts owed to the state in reimbursement of federal expenditures.

J. Due from/to Other Funds/Component Units/Primary Government

During the course of operations, numerous transactions occur between individual funds within the primary government and between the primary government and discretely

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

presented component units. These intra-entity receivables and payables are classified as "due from other funds/component units/primary government" or "due to other funds/component units/primary government" in the combined balance sheet.

K. Inventories

Inventory type items acquired by governmental funds are accounted for as expenditures at the time of purchase.

Inventories of governmental component units are stated at the lower of cost (first-in, first-out and retail inventory method) or market, and consist primarily of bookstore and dining, health and residential life services items.

Inventories of the proprietary funds and proprietary component units are stated at cost.

L. Fixed Assets

The cost of fixed assets acquired by governmental fund types is accounted for as an expenditure upon purchase.

A statement of general fixed assets is not included herein since the information required to prepare such a statement has not been fully developed.

Certain fixed assets used in the operation of internal service funds are capitalized in the fund in which they are utilized and are depreciated on the straight-line basis over their estimated useful lives. Certain internal service funds use capital leases to finance assets. Since the lease costs are recovered through service charges, such assets and related debt are accounted for within the internal service funds. These assets are depreciated over their estimated useful lives.

The cost of fixed assets used by the enterprise fund and pension trust funds is capitalized and depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

The cost of fixed assets used by the component units is capitalized and depreciation is provided on a straight-line basis over the estimated useful lives of the assets. With the exception of the R.I. Economic Development Corporation, R.I. Resource Recovery Corporation and the Narragansett Bay Commission, interest is not capitalized.

M. Other Assets

Other assets include, among other things, deferred bond issuance and financing costs, present value of future scholarships pledged by institutions of higher learning, airport noise mitigation assets, restricted assets held in trust, and property held for sale and development.

N. Rentals Due

Rentals due for payment of principal and current interest on revenue bonds represent amounts due as required under several lease arrangements relating to capital projects.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

O. Other Liabilities

Other liabilities include, among other things, deferred scholarships, landfill post-closure costs, securities lending liability, and deposits pending distribution.

P. Bonds Payable

In governmental fund types, bond discounts/premiums and issuance costs are recognized in the current period; bond proceeds are recorded net of these amounts. Bond discounts, premiums and issuance costs for proprietary fund types are generally deferred and amortized over the term of the bonds using the straight-line method for issuance costs and the interest method for discounts and premiums. Bond discounts and premiums are presented as an adjustment to the face amount of bonds payable.

The R.I. Convention Center Authority has entered into interest rate swap agreements to modify interest rates on outstanding debt. Other than the net interest expenditures resulting from these agreements, no amounts are recorded in the financial statements.

Q. Obligations Under Capital Leases

The construction and acquisition of certain state office buildings, campus facilities and other public facilities, as well as certain equipment acquisitions, have been financed through bonds and notes issued by the R.I. Refunding Bond Authority, the R.I. Convention Center Authority, the R.I. Economic Development Corporation, or by a trustee pursuant to a lease/purchase agreement with the state (See Note 7(D)).

R. Accrued Liabilities

Accrued liabilities generally represent accrued salary and fringe benefits in the governmental fund types and accrued interest payable, accrued salaries and accrued vacation and sick leave in the proprietary fund types.

S. Compensated Absences

Vacation pay may be discharged, subject to limitations as to carry-over from year to year, by future paid leave or by cash payment upon termination of service. Sick pay may be discharged by payment for an employee's future absence caused by illness or, to the extent of vested rights, by cash payment upon death or retirement. For governmental fund types, such obligations are recorded in the General Long-Term Debt Account Group and for proprietary fund types, they are recorded as fund liabilities.

T. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from the federal and/or state governments. Depreciation expense is recognized on assets acquired or constructed with these funds. Certain component units record transfers from contributed capital to retained earnings in an amount equal to the annual depreciation charge.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Reserved fund balances represent amounts which are (1) not appropriable for expenditure or (2) legally segregated for a specific future use.

Designated fund balances represent amounts segregated to indicate management's tentative plans or intent for future use of financial resources.

U. Memorandum Only - Total Columns

Total columns on the general-purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns are not comparable to a consolidation. Intra-entity eliminations have not been made in the aggregation of this data.

V. New Accounting Pronouncements

1. In fiscal year 2001, the state implemented GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions." The implementation of GASB Statement No. 33 resulted in the recognition of an additional \$7,050,800 of tax revenues, net of estimated refunds, in the General Fund. The net effect of implementing GASB Statement No. 33 on the Rhode Island Temporary Disability Insurance Fund within the Special Revenue Funds and on the Employment Security Trust Fund within the Trust and Agency Funds was a cumulative increase in fund balances of \$37,636,000 and \$33,873,900, respectively (See Note 17 - Restatement of Fund Equity).

2. In June 1999, the GASB issued Statement No. 34, Basic Financial Statements--and Management's Discussion and Analysis--for State and Local Governments. The state is required to apply this statement for periods beginning after June 15, 2001. GASB Statement No. 34 establishes new financial reporting requirements that fundamentally affect the presentation of general purpose government's basic financial statements and related required supplementary information. In November 1999, the GASB established accounting and financial reporting standards for public colleges and universities within the financial reporting guidelines of GASB Statement No. 34 when the Board issued GASB Statement No. 35, Basic Financial Statements--and Management's Discussion and Analysis--for Public Colleges and Universities. Management has not yet determined the impact that GASB Statements No. 34 and 35 will have on the state's financial statements.

Note 2. Budgeting and Budgetary Control

An annual budget is adopted on a basis consistent with generally accepted accounting principles for the general fund and certain special revenue funds. Preparation and submission of the budget is governed by both the State Constitution and the Rhode Island General Laws. The budget, as enacted by the General Assembly and signed by the governor, contains a complete plan of estimated general, federal, restricted revenues and operating transfers in and proposed expenditures.

The legal level of budgetary control, i.e. the lowest level at which management (executive branch) may not reassign resources without special approval (legislative branch) is as follows:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

- (1) For general revenue appropriations, it is the line item within the appropriation act. Management cannot reallocate any appropriations without special approval from the legislative branch.
- (2) For federal grants, it is the total of all grants available to a department under the same Catalog of Federal Domestic Assistance (CFDA) number. Federal grant appropriations may also be limited by the availability of matching funds and may also require special approval from a federal agency before reallocating resources among programs.
- (3) For restricted programs and operating transfers in, it is the account level. By its very nature, a restricted account is created by statute for a special purpose and management cannot reassign the resources without special approval. Operating transfers in are accounted for separately because they are reported under "Other Financing Sources" in the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances – All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Governmental Component Units.

Internal administrative and accounting budgetary controls utilized by the state consist principally of statutory restrictions on the expenditure of funds in excess of appropriations and the supervisory powers and functions exercised by management. Management cannot reduce the budget without special approval.

Unexpended general revenue appropriations lapse at the end of the fiscal year, unless the department/agency directors identify unspent appropriations related to specific projects/purchases and request a reappropriation. If the requests are approved by the governor, such amounts are reappropriated for the ensuing fiscal year and made immediately available for the same purposes as the former appropriations. Unexpended appropriations of the General Assembly and its legislative commissions and agencies may be reappropriated by the Joint Committee on Legislative Services. If the sum total of all departments and agencies general revenue expenditures exceeds the total general revenue appropriations, it is the policy of management to lapse all unexpended appropriations, except those of the legislative branch and the Justice Link program.

For the fiscal year ended June 30, 2001 expenditures exceeded appropriations in the following departments and agencies (expressed in thousands):

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
Administration			
General revenue appropriations:			
Central Management			\$ 142
Accounts and Control			25
Auditing			21
Human Resources			23
Taxation			1,314
Central Services			643

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
<i>Administration (continued)</i>			
Office of Library and Information Services			30
Race and Police Community Relations Commission			6
Motor Vehicle Excise Tax Program			4,921
Federal grants:			
Rural Housing Preservation Grants	10.433		29
Economic Development - Support for Planning Organizations	11.302		33
Community Development Block Grants/State's Program	14.228		721
Emergency Shelter Grants Program	14.231		41
Byrne Formula Grant Program	16.579		1
Workforce Investment Act	17.255		65
National Motor Carrier Safety	20.218		115
Low-Income Home Energy Assistance	93.568		5,560
Restricted programs:			
DEPCO Escrow Account		2450-80200	1,261
Exxon Oil Overcharge Interest Earnings		2460-81410	151
COP - Center General-Furniture		2485-80200	1
COP - DLT Building - WC		2485-80500	1
COP - DLT Building - Job Development Fund		2485-80700	44
COP - Center General Furniture - JDF		2485-80800	14
COP - Pastore Center Telecomm - JDF		2485-80900	2
Operating transfers in:			
Debt Service Special Account		2480-90200	10,282
RICAP State House - Terrace Walls/South Stairs		2480-90800	571
COP - DLT Building - Other		2485-90200	23
Debt - URI Education and General		2486-91100	31
Debt - URI Dining Services		2486-91420	1
Debt - RIC Student Union		2486-95404	49
Business Regulation			
General revenue appropriations:			
Insurance Regulation			91
Labor and Training			
General revenue appropriations:			
Central Management			32
Workforce Regulation and Safety			383
Labor Relations Board			14
Federal grants:			
Labor Force Statistics	17.002		109
Trade Adjustment Assistance - Dislocated Workers	17.245		209
Restricted programs:			
Office of Director - Workers Compensation		1652-80100	257
Education Unit - Workers Compensation		1652-80400	100
Second Injury Indemnity Fund Operation		1652-80500	42
Tardy Fund		1690-80100	472
Interest Fund		1695-80100	99
Legislature			
Restricted programs:			
Audit of Federal Assistance Programs		2626-80100	257
Secretary of State			
Federal grants:			
National Historical Publications and Records Grants	89.003		2
Treasury			
Restricted Programs:			
Forfeited Property Fund		2310-80100	6

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
Board for Design Professionals			
General revenue appropriation			29
Children, Youth and Families			
General revenue appropriations:			
Friendship Street Renovations			303
Juvenile Corrections			46
Child Welfare			1,196
Federal grants:			
Byrne Formula Grant Program	16.579		2
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104		250
Promoting Safe and Stable Families	93.556		199
Temporary Assistance for Needy Families	93.558		1,513
Child Care and Development Block Grant	93.575		46
Independent Living	93.674		93
Other Expenditures of Federal Awards			140
Restricted programs:			
Social Security Income		3340-80200	281
Operating transfers in:			
RICAP - Spurwink/RI		3350-90100	16
Elderly Affairs			
Federal grants:			
Senior Community Service Employment Program	17.235		78
Special Programs for the Aging - Title III, Part F - Disease Prevention and Health Promotion Services	93.043		15
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045		149
New Demonstration Grants to States with Respect to Alzheimer's Disease	93.051		10
Nation Family Caregiver Support Program	93.052		11
Medical Assistance Program	93.778		54
Senior Companion Program	94.016		69
Operating transfers in:			
Gas Tax		3260-91500	71
Health			
General revenue appropriations:			
Central Management			136
Family Health			140
Poison Control Center			15
Health Services Regulation			152
Health Laboratories			302
Federal grants:			
Compensation and Working Conditions	17.005		1
Air Pollution Control Program Support	66.001		7
TSCA Title IV State Lead Grants - Certification of Lead-Based Paint Professionals	66.707		34
Special Education - Grants for Infants and Families With Disabilities	84.181		90
State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program	93.006		8
Grants for State Loan Repayment	93.165		19
Family Planning - Services	93.217		148
Innovative Food Safety Projects	93.245		7
Immunization Grants	93.268		257
Child Support Enforcement	93.563		6
Child Care and Development Block Grant	93.575		38
State Survey and Certification of Health Care Providers and Suppliers	93.777		321
Medical Assistance Program	93.778		320

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
<i>Health (continued)</i>			
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977		28
Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	93.988		39
Restricted programs:			
Indirect Cost Recovery - Central Management		1102-80601	353
RWJ - Making The Grade - Planning		1131-80200	3
All Kids Count		1134-80200	6
Drinking Water Revolving Fund		1173-80200	171
<i>Human Services</i>			
General revenue appropriations:			
Veterans Affairs			354
Medical Benefits - Managed Care			1,663
Medical Benefits - Special Education			2,638
Family Independence Program			319
Weatherization One-Time Payment			5
Federal grants:			
Food Stamps	10.551		882
Family Violence Prevention and Services - Grants for Battered Women's Shelters - Grants to States and Indian Tribes	93.671		158
State's Children Insurance Program	93.767		9,586
Restricted programs:			
Indirect Cost Recovery - Central Management		1210-80101	12
Vending Stand Proceeds		1237-80100	40
Health Indicators Development Project		1246-80100	37
Medicaid Provider Participation		1260-80200	35
<i>Mental Health, Retardation and Hospitals</i>			
General revenue appropriations:			
Central Management			96
Hospitals and Community System Support			256
Integrated Mental Health Services			148
Hospital and Community Rehabilitative Services			4,308
Federal grants:			
Projects for Assistance in Transition from Homelessness (PATH)	93.150		298
<i>Office of the Child Advocate</i>			
General revenue appropriation			40
Federal grants:			
Crime Victim Assistance	16.575		4
Medical Assistance Program	93.778		9
<i>Governor's Commission on Disabilities</i>			
General revenue appropriation			4
Restricted programs:			
Human Resource Investment Council		2041-80200	6
<i>Elementary and Secondary Education</i>			
General revenue appropriations:			
Program Operations			194
Federal grants:			
Summer Food Service Program for Children	10.559		6
Title I Program for Neglected and Delinquent Children	84.013		1
Special Education - Grants for Infants and Families with Disabilities	84.181		3
Even Start - State Educational Agencies	84.213		86
Class Size Reduction	84.340		428
Medical Assistance Program	93.778		303
Restricted programs:			
Indirect Cost Recovery - Program Support		1410-80121	16

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
Rhode Island State Council on the Arts			
General revenue appropriations:			
Operating Support			18
Rhode Island Higher Education Assistance Authority			
General revenue appropriations:			
Needs Based Grants and Work Opportunity			73
Historical Preservation and Heritage Commission			
Federal grants:			
Historic Preservation Fund Grants-In-Aid	15.904		4
National Maritime Heritage Grants	15.925		11
Restricted Programs:			
Survey and Planning - Restricted Fund		2062-80100	2
Historic Preservation Easement Fund		2062-80300	54
Attorney General			
General revenue appropriations:			
Criminal			15
Federal grants:			
Byrne Formula Grant Program	16.579		3
Restricted Programs:			
Consumer Protection/Education		2211-80800	37
Gambling Forfeitures		2230-80500	4
Corrections			
General revenue appropriations:			
Institutional Corrections			2,087
Federal grants:			
Special Education - Grants to States	84.027		22
Vocational Education - Basic Grants to States	84.048		24
Operating transfers in:			
RICAP - Perimeter & Security Upgrades		1370-90300	777
Rhode Island Justice Commission			
Federal grants:			
Juvenile Accountability Incentive Block Grants	16.523		193
Byrne Formula Grant Program	16.579		38
Violence Against Women Formula Grants	16.588		27
Judiciary			
General revenue appropriations:			
Supreme Court			673
Traffic Tribunal			9
Federal grants:			
Victims of Child Abuse	16.547		4
National Criminal History Improvement Program	16.554		6
Restricted programs:			
Advisory Committee on Women and Minorities		2710-80100	1
RI Supreme Court Disciplinary Counsel		2710-80400	1
General Operations		2750-80100	1
Retirement Benefits of Commissioners and Judges		2750-80200	25
Military Staff			
General revenue appropriations:			
National Guard			488
Emergency Management			46
Federal grants:			
Community Assistance Program - State Support Services Element (CAP-SSSE)	83.105		27

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

General Fund

<u>Department - Division Grant or Program</u>	<u>CFDA Number</u>	<u>Account Number</u>	<u>Amount</u>
Military Staff (<i>continued</i>)			
Operating transfers in:			
RICPF - Bristol Armory Rehabilitation		2089-90300	14
E-911 Emergency Telephone System			
General revenue appropriation			42
Restricted programs		2085-80100	353
Fire Safety Code Board of Appeal and Review			
General revenue appropriation			3
Fire Safety and Training Academy			
Federal grants:			
Interagency Hazardous Materials Public Sector Training and Planning Grants	20.703		24
Commission on Judicial Tenure and Discipline			
General revenue appropriation			9
State Police			
General revenue appropriation			2,099
Restricted programs:			
Forfeited Property Retained - State Police		2070-80100	21
Comprehensive Crime Control Act - Federal Regulation		2070-80900	6
Forfeiture of Motor Vehicles		2070-81000	7
Operating transfers in:			
Traffic Enforcement		2070-90500	176
Environmental Management			
General revenue appropriations:			
Natural Resources			519
Environmental Protection			6
Federal Grants:			
Boating Safety Financial Assistance	20.005		4
State Underground Water Source Protection	66.433		74
Wetlands Grants	66.461		35
Water Quality Cooperative Agreements	66.463		91
Innovative Community Partnership	66.651		18
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		24
Restricted programs:			
Indirect Cost Recovery - Public Resources Management		1730-80103	191
Fishing License Receipts		1732-80100	72
Hunting License Receipts		1732-80200	46
Shellfish and Marine License Receipts		1732-80400	73
Boating Safety		1735-80100	40
State Revolving Fund Administration		1751-80900	19
Indirect Cost Recovery - Water Resources		1751-81300	15
Environmental Response Fund		1754-80200	244
Water and Air Protection Program		1754-80600	490
Underground Storage Tank Fees		1759-80100	39
Operating transfers in:			
RICAP - Newport Pier Upgrades		1736-91300	393
State Water Resources Board			
Operating transfers in:			
RICAP - Big River Management Area		2835-90100	3
RICAP - Water Allocation Plan		2835-90300	1

Special Revenue Funds

Intermodal Surface Transportation			
Federal Grants:			
Local Rail Freight Assistance	20.308		13
Restricted programs:			
Vehicle Salvage		5312-80300	5

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Note 3. Cash, Cash Equivalents and Investments

Cash Deposits

Primary Government

At June 30, 2001, the carrying amount of the state's cash deposits was \$54,213,846 and the bank balance was \$99,502,057. Of the bank balance, \$633,804 was covered by federal depository insurance. The remaining amount, \$98,868,253 was uninsured and uncollateralized. The carrying amount and bank balance include \$32,343,000 of certificates of deposit.

Component Units

At June 30, 2001, the carrying amount of the component units' cash deposits was \$211,562,598 and the bank balance was \$242,726,294. Of the bank balance, \$3,904,556 was covered by federal depository insurance and \$50,406,096 was collateralized with investments held by a bank in a component unit's name. The remaining amount, \$188,415,642 was uninsured and uncollateralized. The carrying amount and the bank balance include \$4,827,205 of certificates of deposit.

In accordance with Chapter 35-10.1 of the General Laws, depository institutions holding deposits of the state, its agencies or governmental subdivisions of the state, shall at a minimum, insure or pledge eligible collateral equal to one hundred percent of time deposits with maturities greater than 60 days. Any of these institutions which do not meet minimum capital standards prescribed by federal regulators shall insure or pledge eligible collateral equal to one hundred percent of deposits, regardless of maturity. None of the cash deposits of the primary government was required to be collateralized at June 30, 2001.

Investments

The State Investment Commission (Commission) is responsible for the investment of all state funds. Pursuant to Chapter 35-10 of the General Laws, the Commission may, in general, "invest in securities as would be acquired by prudent persons of discretion and intelligence in these matters who are seeking a reasonable income and the preservation of their capital."

Short-term cash equivalent type investments are made by the General Treasurer in accordance with guidelines established by the Commission. Investments of the pension trust funds are made by investment managers in accordance with the Commission's stated investment objectives and policies.

Investments of certain component units are not made at the direction of the Commission, but are governed by specific statutes or policies established by their governing body.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The state's investments (expressed in thousands) are categorized in the following table to give an indication of the level of risk assumed by the entity at June 30, 2001.

Category 1: Insured or registered, or securities held by the state or its agent in the state's name.

Category 2: Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the state's name.

Category 3: Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the state's name.

Primary Government

	Category			Fair Value
	1	2	3	
U.S. Government and Agency Securities	\$ 833,162	\$	\$	\$ 833,162
Commercial Paper	53,129			53,129
Repurchase Agreements	15,602			15,602
Corporate Bonds	792,673	200		792,873
Equity Securities	926,492	1,496		927,988
Foreign Securities	1,036,832			1,036,832
Unit Investment Trust	1,755,007			1,755,007
	<u>\$ 5,412,897</u>	<u>\$ 1,696</u>	<u>\$</u>	<u>5,414,593</u>
Money Market Mutual Funds				423,714
Real Estate and Venture Capital Limited Partnership				318,857
Investments held by broker-dealers under securities loans with cash collateral				424,459
Securities lending short-term collateral investment pool				438,544
Investments of Statutory Deposits Held In Trust				68,218
Other				3,167
Total				<u>7,091,552</u>
Less amount classified as cash equivalents				<u>450,747</u>
Total Investments				<u>\$ 6,640,805</u>

Component Units

	Category			Fair Value
	1	2	3	
U.S. Government and Agency Securities	\$ 139,243	\$ 202,466	\$ 7,873	\$ 349,582
Money Market		3,692	20,150	23,842
Commercial Paper	57,193		27,924	85,117
Repurchase Agreements	43,105	1,276	74,480	118,861
Corporate Notes	340			340
Equity Securities		1,640		1,640
	<u>\$ 239,881</u>	<u>\$ 209,074</u>	<u>\$ 130,427</u>	<u>579,382</u>
Money Market Mutual Funds				38,686
Investment Agreements				522,051
Investments of R.I. Higher Education Assistance Authority CollegeBoundfund Trust Fund				469,017
Investments of the R.I. Children's Crusade for Higher Education				10,352
Other				25
Total				<u>1,619,513</u>
Less amount classified as cash equivalents				<u>303,581</u>
Total Investments				<u>\$ 1,315,932</u>

Derivatives and Other Similar Investments

Primary Government

The Employees' Retirement System (System) allows its investment managers to invest in certain derivative type transactions, including forward foreign currency transactions, futures contracts and mortgage-backed securities. Through the Unit Investment Trusts (UIT), the System also indirectly holds derivative type instruments. Information on the extent of the use, and holdings of derivative securities by the UITs is not readily available.

The System may enter into foreign currency exchange contracts to minimize the short-term impact of foreign currency fluctuations on foreign investments. These contracts involve risk in excess of the amount reflected in the System's Statements of Plan Net Assets. The face or contract amount in U.S. dollars reflects the total exposure the System has in that particular currency contract. By policy, no more than 50% of actively managed Foreign Equity securities (at fair value) may be hedged into the base currency (US Dollars). The U.S. dollar value of forward foreign currency contracts is determined using forward currency exchange rates supplied by a quotation service. Losses may arise due to changes in the value of the foreign currency or if the counterparty does not perform under the contract.

The System may use futures to manage its exposure to the stock, money market, and bond markets and the fluctuations in interest rates and currency values. Buying futures tend to increase the System's exposure to the underlying instrument. Selling futures tend to decrease the System's exposure to the underlying instrument, or hedge other System investments. Losses may arise from changes in the value of the underlying instruments, if there is an illiquid secondary market for the contracts, or if the counterparties do not perform under the contract terms.

The System invests in various mortgage-backed securities, such as collateralized mortgage obligations (CMO), interest-only and principal-only (PO) strips. They are reported in aggregate as U.S. Government and Agency Securities in the disclosure of custodial credit risk. CMO's are bonds that are collateralized by whole loan mortgages, mortgage pass-through securities or stripped mortgage-backed securities. Income is derived from payments and prepayments of principal and interest generated from collateral mortgages. Cash flows are distributed to different investment classes or tranches in accordance with the CMO's established payment order. Some CMO tranches have more stable cash flows relative to changes in interest rates while others are significantly sensitive to interest rate fluctuations. The System may invest in interest-only (IO) and principal-only strips (PO) in part to hedge against a rise in interest rates. Interest-only strips are based on cash flows from interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. Principal-only strips receive principal cash flows from the underlying mortgages. In periods of rising interest rates, homeowners tend to make fewer mortgage prepayments.

The Unit Investment Trusts (UIT) may sell a security they do not own in anticipation of a decline in the fair value of that security. Short sales may increase the risk of loss to the UIT when the price of a security underlying the short sale increases and the UIT is subject to a higher cost to purchase the security in order to cover the position.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Securities Lending

Primary Government

Policies of the State Investment Commission permit use of investments to enter into securities lending transactions. The Employees' Retirement System (System) has contracted with State Street Bank & Trust Company as third party securities lending agent to lend the System's debt and equity securities for cash, securities and sovereign debt of foreign countries as collateral at 102% of the market value of the domestic securities on loan and 105% of the market value of the international securities on loan. There are no restrictions on the amount of loans that can be made. There have been no violations of the provisions of the contract. Securities on loan at year-end for cash collateral are presented as not categorized. Securities on loan for noncash collateral are classified according to the category for the collateral. The contract with the lending agent requires them to indemnify the System if the borrowers fail to return the securities. Either the System or the borrower can terminate all securities loans on demand. The cash collateral received on security loans was invested in the lending agent's short-term investment pool for an average duration of 73 days and a weighted average maturity of 172 days. Because the loans were terminable at will, their duration did not generally match the duration of the investments made with cash collateral. The System is not permitted to pledge or sell collateral securities received unless the borrower defaults. There were no losses during the fiscal year resulting from default of the borrower or lending agent. At June 30, 2001, management believes the System has no credit risk exposure to borrowers because the amounts the System owes the borrowers does not exceed the amounts the borrowers owe the System. The securities on loan at year-end were \$476,390,965 (fair value), and the collateral received for those securities on loan was \$491,764,265 (fair value).

Cash and Cash Equivalents

Primary Government

Cash and cash equivalents of \$504,960,000 consists of the \$54,213,000 cash carrying amount and \$450,747,000 of investments determined to be cash equivalents.

Component Units

Cash and cash equivalents of \$515,144,000 consists of the \$211,563,000 cash carrying amount and \$303,581,000 of investments determined to be cash equivalents.

Note 4. Receivables

Receivables at June 30, 2001 (expressed in thousands) consist of the following:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

	Taxes	Accounts	Accrued Interest	Notes and Loans	Contributions	Allowance for Uncollectable and Unavailable Amounts	Total
Primary Government:							
General fund	\$ 236,733	\$ 10,089	\$	\$	\$	\$ (51,976)	\$ 194,846
Special revenue funds	52,109	1,850				(2,780)	51,179
Enterprise fund		6,319				(314)	6,005
Internal service fund		4,851		1,113			5,964
Trust and agency funds	38,077	8,225			24,090	(9,843)	60,549
Total Primary Government	326,919	31,334		1,113	24,090	(64,913)	318,543
Component Units:							
Governmental		28,309	4	16,959		(6,458)	38,814
Proprietary		69,931	32,122	2,104,003		(37,121)	2,168,935
Total Receivables	<u>\$ 326,919</u>	<u>\$ 129,574</u>	<u>\$ 32,126</u>	<u>\$ 2,122,075</u>	<u>\$ 24,090</u>	<u>\$ (108,492)</u>	<u>\$ 2,526,292</u>

Component Units

Loans receivable of the R.I. Housing and Mortgage Finance Corporation are secured by a first lien on real and personal property and, in some instances, are federally insured. Loans receivable of the R.I. Student Loan Authority are insured by the R.I. Higher Education Assistance Authority, which in turn has a reinsurance agreement with the federal government. The R.I. Clean Water Finance Agency provides loans to municipalities, sewer commissions, or wastewater management districts in the state for constructing or upgrading water pollution abatement projects.

Other

The amount reported in the special revenue funds as due from other governments and agencies, \$38,701,000, is net of \$5,035,000, which is considered unavailable to meet current year expenditures.

Note 5. Intra-Entity Receivables and Payables

Intra-entity receivables and payables (operations - due from/due to and working capital loans - loan to/loan from), as of June 30, 2001, are summarized below (expressed in thousands):

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Fund Type/Fund	Due from Other Funds	Due to Other Funds	Due from Component Units	Due to Component Units
General	\$ 73,275	\$ 12,913	\$ 5,112	\$ 1,838
Special Revenue:				
R.I. Temporary Disability Insurance	695	2,113		
Intermodal Surface Transportation	19,837	45,964	1,647	2,162
Providence River Relocation		1		
Subtotal	<u>20,532</u>	<u>48,078</u>	<u>1,647</u>	<u>2,162</u>
Debt Service	<u>29</u>	<u>23,213</u>		
Capital Projects:				
Bond Capital	19,435	40,207		1,200
Subtotal	<u>19,435</u>	<u>40,207</u>		<u>1,200</u>
Enterprise:				
State Lottery		1,461		
Subtotal		<u>1,461</u>		
Internal Service:				
Central Utilities	1,410			
Central Services	1,638	222		
Assessed Fringe Benefit	619	730		
Special Facilities	659	30		
Automotive Maintenance	483	27		
Central Warehouse	241	2		
Correctional Industries	1,143	384		
Energy Conservation	200			
Records Center Fund		18		
Subtotal	<u>6,393</u>	<u>1,413</u>		
Trust and Agency:				
Pension Trust	7,569			
Expendable Trust - ES	138	86		
Subtotal	<u>7,707</u>	<u>86</u>		
Total	<u>\$ 127,371</u>	<u>\$ 127,371</u>	<u>\$ 6,759</u>	<u>\$ 5,200</u>
Component Units:				
Governmental:				
University of Rhode Island	\$	\$	\$ 901	\$ 858
Rhode Island College			403	867
Community College of Rhode Island			497	422
Subtotal			<u>1,801</u>	<u>2,147</u>
Proprietary:				
R.I. Economic Development Corporation				666
R.I. Depositors Economic Protection Corporation			1,000	
R.I. Higher Education Assistance Authority			33	9
R.I. Public Telecommunications Authority			11	
Narragansett Bay Commission			32	
R.I. Convention Center Authority			2,235	
R.I. Public Transit Authority			1,647	2,378
Subtotal			<u>4,958</u>	<u>3,053</u>
Total	<u>\$</u>	<u>\$</u>	<u>\$ 6,759</u>	<u>\$ 5,200</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Fund Type/Fund	Loans to Other Funds	Loans from Other Funds
General	\$ 5,845	\$
Capital Projects:		
Bond Capital		1,459
RI Clean Water Act Environmental Trust Fund		1,500
Certificates of Participation		36
Subtotal		<u>2,995</u>
Internal Service:		
Assessed Fringe Benefits		1,000
Central Services		200
Central Warehouse		200
Central Utilities		200
Correctional Industries		850
Special Facilities		400
Subtotal		<u>2,850</u>
Total	<u>\$ 5,845</u>	<u>\$ 5,845</u>

Note 6. Fixed Assets

The fixed assets by fund type consist of the following (expressed in thousands):

Estimated useful lives	Land and Improvements	Structures and Improvements 15-100	Machinery and Equipment 5-10	Construction in Progress	Accumulated Depreciation	Net Fixed Assets
Primary Government:						
Enterprise fund	\$	\$ 1,575	\$ 850	\$	\$ (1,912)	\$ 513
Internal service funds		4,212	3,845		(3,713)	4,344
Trust and Agency Funds			9,255		(134)	9,121
Total Primary Government		<u>5,787</u>	<u>13,950</u>		<u>(5,759)</u>	<u>13,978</u>
Component Units:						
Governmental	526	1,811	363	17,293	(756)	19,237
Proprietary	145,856	916,521	143,858	104,722	(341,532)	969,425
Total	<u>\$ 146,382</u>	<u>\$ 924,119</u>	<u>\$ 158,171</u>	<u>\$ 122,015</u>	<u>\$ (348,047)</u>	<u>\$ 1,002,640</u>

The R.I. Economic Development Corporation capitalized interest income of approximately \$207,000 net of interest expense of \$2,752,000 (asset value was reduced). The Narragansett Bay Commission capitalized approximately \$99,900 of interest expense as a component of the cost of construction. The Rhode Island Resource Recovery Corporation capitalized approximately \$15,000 of interest expense. For the Proprietary Component Units, actual nonoperating interest expense was \$41,212,900 and actual nonoperating interest revenue was \$17,867,000 which represents increases of \$2,866,900 and \$2,959,000 respectively, over the amounts reported in Combined Statement of Revenues, Expenses, and Changes in Fund Equity - All Proprietary Fund Types, Similar Trust Funds, and Discretely Presented Proprietary Component Units.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Note 7. Long-Term Obligations

Long-term obligations include bonds, notes and loans payable, obligations under capital leases, compensated absences, and other long-term liabilities.

A. Bonds Payable

At June 30, 2001, future debt service requirements were as follows (expressed in thousands):

Fiscal Year Ending June 30	Primary Government		Governmental Component Units		Proprietary Component Units	
	Principal	Interest	Principal	Interest	Principal	Interest
2002	\$ 76,832	\$ 53,248	\$ 1,572	\$ 5,676	\$ 154,662	\$ 154,285
2003	79,412	49,423	1,631	5,628	153,961	146,916
2004	78,965	45,410	1,758	5,628	141,350	138,660
2005	79,681	40,801	1,815	5,572	80,669	132,709
2006	74,626	44,362	2,544	5,491	96,636	126,115
Later Years	611,719	188,049	95,621	71,507	2,449,284	1,652,344
	<u>\$ 1,001,235</u>	<u>\$ 421,293</u>	<u>\$ 104,941</u>	<u>\$ 99,502</u>	<u>\$ 3,076,562</u>	<u>\$ 2,351,029</u>

Primary Government

Current interest bonds of the state are serial bonds with interest payable semi-annually and multi-modal variable rate demand bonds. Capital appreciation bonds are designated as College and University Savings Bonds. The College and University Savings Bonds mature in varying amounts to 2010 with all interest payable at maturity. Interest requirements for the multi-modal variable rate bonds are not reflected in the amortization table shown above since the amounts are indeterminable.

Included in the current interest bonds is \$31,565,000 of general obligation multi-modal variable rate demand bonds maturing in fiscal year 2020. These bonds were initially issued in the weekly rate mode but can be changed by the issuer (the state) to a daily, commercial paper or term rate mode. The interest rate is determined either weekly or daily based on the mode; interest is paid monthly. The owners of the bonds in a weekly mode can require the state (acting through its remarketing and tender agents) to repurchase the bonds. The remarketing agent is authorized to use its best efforts to resell any purchased bonds by adjusting the interest rate offered. The state has entered into a standby bond purchase agreement (liquidity facility) with the tender agent and a commercial bank (the bank). The remarketing agent is required to offer for sale all bonds properly tendered for purchase. In the event the remarketing agent is unable to remarket tendered bonds, the standby bond purchase agreement provides that the bank agrees to purchase any bonds from time to time in an amount not to exceed the principal amount plus accrued interest up to 37 days at an interest rate not to exceed 12% per annum, subject to the terms and provisions of the liquidity facility. This agreement has been extended through July 2002. The state is required to pay the bank at an interest rate based on its prime lending rate or the federal funds rate plus 1/2 of 1 percent, whichever is higher. The standby bond purchase agreement remains in effect until the payment in full of the principal and interest on all bonds purchased by the bank.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Revenue bonds of the R.I. Refunding Bond Authority (RIRBA) are secured by lease rentals payable by the state pursuant to lease agreements relating to projects financed by the authority and leased to the state. Proceeds from the RIRBA bonds have been used (1) to loan funds to the state to effect the advance refunding of general obligation bonds issued by the state in 1984; (2) to finance construction and renovation of certain buildings, and (3) to finance acquisition of equipment used by various state agencies.

Governmental Component Units

Revenue bonds of the Governmental Component Units were issued under trust indentures and are collateralized by a pledge of revenues from the facilities financed. The facilities include housing, student union (including bookstores) and dining operations. Under terms of the trust indentures, certain net revenues from these operations must be transferred to the trustees for payment of interest, retirement of bonds, and maintenance of facilities. The bonds are payable in annual or semi-annual installments to various maturity dates. Revenue bonds of the Governmental Component Units also include amounts borrowed under a loan and trust agreement between the R.I. Health and Educational Building Corporation (RIHEBC) (a proprietary component unit) and the Board of Governors for Higher Education acting for URI, RIC, and CCRI. The agreement provides for RIHEBC's issuance of the bonds with a loan of the proceeds to the university and colleges and the payment by the university and colleges to RIHEBC of loan payments that are at least equal to debt service on the bonds. The bonds are secured by a pledge of revenues of the respective institutions.

Proprietary Component Units

Bonds of the R.I. Housing and Mortgage Finance Corporation (RIHMFC) are special obligations of RIHMFC, payable from the revenue, prepayments and all the funds and accounts pledged under the various bond resolutions to the holders of the bonds. The proceeds of the bonds were generally used to acquire mortgage loans which are secured principally by a first lien upon real property and improvements.

The R.I. Student Loan Authority issued tax exempt Student Loan Revenue Bonds that are secured by eligible student loans, the monies in restricted funds established by the trust indenture and all related income. The proceeds of the issuance and operating cash were used to refund bonds and to originate and purchase eligible student loans.

The R.I. Economic Development Corporation (RIEDC) has bonds outstanding referred to as Airport Revenue Bonds. They were issued to finance the construction and related costs of certain capital improvements at T.F. Green State Airport. The proceeds of the bonds were loaned to the R.I. Airport Corporation, a subsidiary and component unit of RIEDC. The remainder of bonds outstanding comprise the financing to purchase land and make land improvements at Island Woods Industrial Park in Smithfield, R.I. and to acquire land, make improvements and renovations of a building and parking lot (The Fleet National Bank Project).

Revenue bonds of the R.I. Convention Center Authority (RICCA) were issued to (a) refund bonds and notes, (b) pay construction costs, (c) pay operating expenses, (d) pay interest on revenue bonds prior to completion of construction, (e) fund a debt service reserve and (f) pay costs of issuance. The revenue bonds are secured by all rents receivable, if any, under a

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

lease and agreement between the RICCA and the state covering all property purchased by the RICCA. It also covers a mortgage on facilities and land financed by the proceeds of the revenue bonds and amounts held in various accounts into which bond proceeds were deposited.

The proceeds of the revenue bonds of the R.I. Clean Water Finance Agency provide funds to make low interest loans to municipalities in the state and quasi-state agencies to finance or refinance the costs of construction or rehabilitation of water pollution abatement projects.

Bonds of the Narragansett Bay Commission (NBC) represent the NBC's portion of the state's general obligation bonds. Debt service on NBC's portion is recovered through charges levied for services provided to users of its facilities. These bonds are guaranteed by the state.

Bonds of the R.I. Water Resources Board Corporate were issued to provide financing to various cities, towns, private corporations and companies engaged in the sale of potable water and the water supply business.

A summary of general obligation bonds authorized by the voters and unissued (expressed in thousands) at June 30, 2001 is shown below.

	Authorized and Unissued July 1	Authorized	Issued	Extinguished	Authorized and Unissued June 30
General Obligation Bonds Supported by Taxes:					
Capital Development Plan - 1986	\$ 160	\$	\$	\$	\$ 160
Capital Development Plan - 1988	970				970
Capital Development Plan - 1989	3,506				3,506
Capital Development Plan - 1990	18,390				18,390
Capital Development Plan - 1994	8,115				8,115
Capital Development Plan - 1996	28,618		1,565		27,053
Capital Development Plan - 1998	57,655		29,800		27,855
Capital Development Plan - 2000		193,460			193,460
R.I. Economic Development Fund	450				450
Underground Storage Tank Replacement Revolving Loan Fund	2			2	
Narragansett Bay Water Quality Management District Commission Fund	12,935				12,935
Clean Water Act Environmental Trust Fund	3,840				3,840
Open Space and Recreational Area Fund	4,438				4,438
Drinking Water Protection Fund	3,415				3,415
Clean Water Finance Agency - Water Pollution Revolving Loan Fund	13,960				13,960
General Obligation Bonds Supported by Taxes	<u>156,454</u>	<u>193,460</u>	<u>31,365</u>	<u>2</u>	<u>318,547</u>
R. I. Industrial-Recreational Building Authority	80,000				80,000
Total	<u>\$ 236,454</u>	<u>\$ 193,460</u>	<u>\$ 31,365</u>	<u>\$ 2</u>	<u>\$ 398,547</u>

In accordance with the General Laws, unissued bonds are subject to extinguishment seven years after the debt authorization was approved unless extended by the General Assembly. The amount of authorized bonds that may be issued by the R.I. Industrial-Recreational Building Authority is limited by mortgage balances that it has insured, \$26,274,527 at June 30, 2001 (See Note 21). The insured mortgages are guaranteed by the state.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

See Note 12 for information concerning contingent liabilities relating to "Moral Obligation" bonds.

B. Notes Payable

Notes payable (expressed in thousands) at June 30, 2001 are as follows:

Component Units - Governmental	
Rhode Island College note payable to the federal government with interest at 5.5% payable in semi-annual installments of principal and interest through 2024.	<u>\$ 2,272</u>
Component Units - Proprietary	
R.I. Housing and Mortgage Finance Corporation bank notes, 4.375% to 6.71% interest, payable through 2008.	\$ 14,086
R.I. Economic Development Corporation (R.I. Airport Corporation) note payable at 6.75% interest, payable through 2005	431
R.I. Higher Education Assistance Authority notes payable to the Student Loan Marketing Association, interest is 1.5% above the Treasury Bill rate, through 2001.	435
R.I. Convention Center Authority notes payable under management agreements .	<u>2,053</u>
	<u>\$ 17,005</u>

C. Loans Payable

Loans payable of the Proprietary Component Units represent liabilities of the Narragansett Bay Commission (NBC) to the R.I. Clean Water Finance Agency (RICWFA) (\$52,813,472) and to the R.I. Refunding Bond Authority (\$30,000). The loans payable to the RICWFA are for projects financed by that agency.

D. Obligations Under Capital Leases

Primary Government

The state's obligation to the R.I. Convention Center Authority (RICCA) consists of RICCA's outstanding debt at June 30, 2001 based on a lease and agreement between RICCA and the state in effect at that date. The state makes lease payments to pay the operating expenses of RICCA and the debt service on its obligations to the extent they are not supported by RICCA revenues.

The state has entered into capital lease agreements with financial institutions which have issued certificates of participation (COP). These financing arrangements have been used by the state to acquire, construct or renovate facilities and acquire other fixed assets.

The state's obligation under capital leases at June 30, 2001 consists of the present value of future minimum lease payments less any funds available in debt service reserve funds. The portion of the state's obligation under capital leases that is payable from general fund appropriations and capital leases not recorded in proprietary fund types is reflected in the general long-term debt account group at June 30, 2001.

Obligation of the state to make payments under lease agreements is subject to and dependent upon annual appropriations being made by the General Assembly.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The following is a summary of material future minimum lease payments (expressed in thousands) required under capital leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2001. Interest for variable rate COP is not reported since the amount is indeterminable.

Fiscal Year Ending June 30	RICCA	COP	Total
2002	\$ 23,952	\$ 14,933	\$ 38,885
2003	23,952	14,534	38,486
2004	23,952	14,447	38,399
2005	23,956	13,314	37,270
2006	23,956	11,308	35,264
Later Years	434,244	108,714	542,958
Total future minimum lease payments	554,012	177,250	731,262
Amount representing interest	(238,207)	(50,780)	(288,987)
Present value of future minimum lease payments	<u>\$ 315,805</u>	<u>\$ 126,470</u>	<u>\$ 442,275</u>

Component Units

The University of Rhode Island (URI), Rhode Island College (RIC), Community College of Rhode Island (CCRI), and R.I. Public Telecommunications Authority (RIPTCA) obligations under capital leases consist, primarily, of construction of facilities and equipment acquisitions financed by the R.I. Refunding Bond Authority, a blended component unit.

Capital lease obligations of the R.I. Airport Corporation (RIAC), a subsidiary and component unit of the R.I. Economic Development Corporation (RIEDC), are for annual payments to the state equal to the principal and interest for airport related general obligation bonds issued by the state.

The following is a summary of the material future minimum lease payments (expressed in thousands) required under capital leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2001.

Fiscal Year Ending June 30	Governmental			Proprietary	
	URI	RIC	CCRI	RIEDC	RIPTCA
2002	\$ 1,676	\$ 444	\$ 157	\$ 4,096	\$ 821
2003	1,605	439	156	4,100	827
2004	1,448	443	156	3,914	820
2005	1,428	449	156	3,671	807
2006	1,295	445	156	3,334	806
Later Years	17,744	1,457	2,814	19,426	4,102
Total future minimum lease payments	25,196	3,677	3,595	38,541	8,183
Amount representing interest	(8,428)	(790)	(1,645)	(10,342)	(1,905)
Present value of future minimum lease payments	<u>\$ 16,768</u>	<u>\$ 2,887</u>	<u>\$ 1,950</u>	<u>\$ 28,199</u>	<u>\$ 6,278</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

E. Compensated Absences

State employees are granted vacation and sick leave in varying amounts based upon years of service. At the termination of service, the employee is paid for accumulated unused vacation leave. Also, the employee is entitled to payment of a percentage of accumulated sick leave at retirement. Payment is calculated at their then-current rate of pay.

F. Other Long-Term Liabilities

Income on invested general obligation bond proceeds, determined to be arbitrage earnings in accordance with federal regulations, has been included in the general long-term debt account group. These amounts are generally payable to the federal government five years after the bond issuance date.

The long-term debt portion of violent crimes' claims is included in the general long-term debt account group. Also included is an advance from the Federal Highway Authority Right of Way Revolving Fund that will be used to acquire land and rights-of-way for the Quonset access road project. Repayment has been budgeted for fiscal year 2002 with federal funds allowable under federal regulations (23 CFR Subpart G 712.701 to 712.703). The amount included for negotiated settlements represents the amount due to correctional officers and is payable over three years. Retainage payable is also included in other long-term debt since the related construction projects are not expected to be completed in the subsequent fiscal period. Finally, an amount due to the federal government is being reported as long-term debt because the payment schedule coincides with the repayment of a long-term loan issued to a private employer.

G. Changes in General Long-Term Debt

During the fiscal year ended June 30, 2001, the following changes (expressed in thousands) occurred in general long-term debt:

Primary Government

	Balance July 1	Additions	Reductions	Balance June 30
General obligation bonds payable:				
Current interest bonds	\$ 849,769	\$ 149,935	\$ (170,670)	\$ 829,034
Capital appreciation bonds	31,289		(6,473)	24,816
Accreted interest on capital appreciation bonds	36,346	5,118	(7,300)	34,164
Revenue bonds - RIRBA	161,210		(13,825)	147,385
Bonds payable	<u>1,078,614</u>	<u>155,053</u>	<u>(198,268)</u>	<u>1,035,399</u>
Lease obligations to the RICCA	322,930		(7,125)	315,805
Certificates of Participation (COP)	102,013	31,330	(6,873)	126,470
Obligations under capital leases	<u>424,943</u>	<u>31,330</u>	<u>(13,998)</u>	<u>442,275</u>
Compensated absences	65,007	6,236	(5,669)	65,574
Other long-term liabilities	19,701	34,143	(5,388)	48,456
	<u>\$ 1,588,265</u>	<u>\$ 226,762</u>	<u>\$ (223,323)</u>	<u>\$ 1,591,704</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Governmental Component Units

	Balance July 1	Additions	Reductions	Balance June 30
Compensated absences	\$ 32,011	\$ 4,031	\$ (3,444)	\$ 32,598
Obligations under capital leases	23,208	57	(1,641)	21,624
Notes payable	2,320		(48)	2,272
Loans payable	652	251	(42)	861
Bonds payable	63,073	43,550	(1,682)	104,941
Other liabilities	628		(628)	
	<u>\$ 121,892</u>	<u>\$ 47,889</u>	<u>\$ (7,485)</u>	<u>\$ 162,296</u>

H. Defeased Debt

In prior years, the state and its component units defeased certain general obligation bonds, revenue bonds and certificates of participation (COP) by placing the proceeds of the new bonds or COP, or other sources, in irrevocable trusts to provide for all future debt service payments on the old bonds or COP. Accordingly, the trust account assets and the liabilities for the defeased bonds or COP are not included in the general-purpose financial statements. On June 30, 2001, the following bonds outstanding (expressed in thousands) are considered defeased:

	Amount
Primary government:	
General Obligation Bonds (includes \$4,746,000 of NBC)	\$ 159,540
Component Units:	
R.I. Clean Water Finance Agency	14,935
R.I. Depositors Economic Protection Corporation	647,410
R.I. Economic Development Corporation	31,200
R.I. Turnpike And Bridge Authority	40,600

In February 2001, the state issued \$55,990,000 Consolidated Capital Development Loan of 2001, Refunding Series A, with interest rates ranging from 3.35% to 5.50%, maturing from 2003 through 2016. The proceeds were used to advance refund \$15,865,000 of 1992 Series A Consolidated Capital Development Loans, \$14,725,000 of 1995 Series A Consolidated Capital Development Loans, and \$25,210,000 of 1996 Series A Consolidated Capital Development Loans. The net proceeds from the sale of the refunding bonds were used to purchase U. S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service of the refunded bonds. The advance refunding met the requirements of an in-substance debt defeasance and the refunded bonds were removed from the state's General Long-Term Debt Account Group. The refunding decreased total debt service payments over the next 15 years by \$2,410,743 and resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,773,900.

The above amounts include \$425,000 of refunding bonds issued on behalf of Narragansett Bay Commission (NBC), a component unit, to advance refund \$445,000 of outstanding

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

bonds. This advance refunding decreased NBC's total debt service payments over the next 15 years by \$18,076 and resulted in an economic gain of \$12,625.

As part of the February 2001 refunding issue, the state issued \$63,005,000 Consolidated Capital Development Loan of 2001, Refunding Series B, with interest rates ranging from 4.06% to 5.375%, maturing from 2008 through 2019. The proceeds were used to convert \$32,400,000 Variable Rate Multi-Modal General Obligation Bonds of 1998, and \$31,290,000 Variable Rate Multi-Modal General Obligation Bonds of 1999 to fixed interest serial debt. The net proceeds from the sale of the refunding bonds were used to purchase U. S. Government securities which were deposited in an irrevocable trust with an escrow agent to provide for all future debt service of the refunded bonds. The advance refunding met the requirements of an in-substance debt defeasance and the refunded variable rate bonds were removed from the state's General Long-Term Debt Account Group. The debt service savings and economic gain or loss were indeterminable.

During the year ended June 30, 2001, the Rhode Island Depositors Economic Protection Corporation (DEPCO) purchased U.S. Government securities, which were deposited into an irrevocable trust with an escrow agent to provide for all future debt service on \$32,540,000 1992 Series A special obligation bonds. These bonds are legally defeased and the liability has been removed from the statement of assets, liabilities, and fund balance (deficit). The defeasance was funded through the liquidation of assets, net settlements, and excess state sales tax; it resulted in the recognition of an accounting loss of \$71,051. DEPCO reduced its aggregated principal and interest payments by approximately \$38,884,000 over the next 5 years.

I. Conduit Debt

The R.I. Industrial Facilities Corporation, the R.I. Health and Educational Building Corporation and the R.I. Economic Development Corporation issue revenue bonds, equipment acquisition notes, and construction loan notes to finance various capital expenditures for Rhode Island business entities. The bonds and notes issued by the corporations are not general obligations of the corporations and are payable solely from the revenues derived from the related projects. They neither constitute nor give rise to a pecuniary liability for the corporations nor do they represent a charge against their general credit. Under the terms of the various indentures and related loan and lease agreements, the business entities make loan and lease payments directly to the trustees of the related bond and note issues in amounts equal to interest and principal payments due on the respective issues. The payments are not shown as receipts and disbursements of the corporations, nor are the related assets and obligations included in the financial statements. The amount of conduit debt outstanding on June 30, 2001 was \$144,000,000, \$1,082,868,867 and \$410,000,000, respectively.

Note 8. Reservations and Designations of Fund Equity

Reserved Retained Earnings

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The General Laws require that the net income of the Correctional Industries Internal Service Fund be reserved for capital expansion. At June 30, 2001, the balance of the reserve was \$1,456,275.

The reservations of retained earnings of the R.I. Housing and Mortgage Finance Corporation (RIHMFC) are restricted by specific bond resolutions, designations by the Board of Commissioners (Board), or by a trust agreement initiated by RIHMFC. These reserves are made up of three major elements: (1) RIHMFC's Housing Endowment Fund (Fund), (2) commitments for housing initiatives, and (3) Affordability Housing Trust (Trust). The Fund was established by the Board to provide a reserve against its outstanding indebtedness, future uncertainties related to the marketplace and as a reserve against non-market related uncertainties. In addition to meeting the foregoing objectives, the Fund was established to provide a means whereby RIHMFC can meet the short-term and long-term affordable housing needs targeted to low and moderate income Rhode Island residents. At a minimum, the amount of the Fund will be maintained at the greater of \$50,000,000 or 4% of the outstanding long-term indebtedness of RIHMFC. The Fund amounted to \$54,523,511 at June 30, 2001. Commitments for housing initiatives represent amounts set aside by the Board. In order to properly finance and administer various major housing initiatives, the Board approved the utilization of RIHMFC's program fund balances for program expenses, housing loans, subsidies and trust funds. Most of the programs, once established, are accounted for in the Operating Program. Commitments for Housing Initiatives designation and Other Designated Funds amounted to \$179,159,165 at June 30, 2001. The Trust was established to assist in activities that involve the creation and preservation of affordable housing in the state. The Trust accounts for funds held by the Trust in a trustee capacity where both the corpus and earnings may be spent in fulfillment of a variety of designated purposes. The balance of the Trust was \$18,827,582 at June 30, 2001.

Reserved retained earnings of the R.I. Turnpike and Bridge Authority (RITBA) consists of \$4,804,826 for debt service.

The General Laws authorize the Narragansett Bay Commission (NBC) to maintain a restricted asset account for environmental enforcement funds. These funds consist of sums recovered by administrative or civil enforcement action and may be used for emergency response or enforcement activities. At June 30, 2001, NBC reported \$101,241 of funds reserved for this purpose.

The reserved retained earnings of the R.I. Higher Education Assistance Authority (RIHEAA) is the trust fund balance of the R.I. Higher Education Savings Trust (RIHEST), also known as *CollegeBoundfund*. RIHEST was created by law to provide a qualified state tuition savings program under Section 529 of the Internal Revenue Code. RIHEST is managed by an independent contractor under the supervision of the R.I. State Investment Commission and RIHEAA. The balance held in trust at June 30, 2001 was \$476,629,974.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Reserved Fund Balance

The state and its component units' reserved fund balances represent those portions of fund balance that are (1) not appropriable for expenditure or (2) legally segregated for a specific future use. Reserved fund balances (expressed in thousands) are as follows:

	Governmental Fund Types			Fiduciary	Total	Governmental	
	General	Special Revenue	Debt Service	Capital Projects			Trust and Agency
Budget reserve	\$ 79,689	\$	\$	\$	\$	79,689	\$
Appropriations carried forward							
General revenue	11,056					11,056	
Departmental restricted revenue	34,521					34,521	
Operating transfers in	11,697					11,697	
Encumbrances		212,889		37,894		250,783	27,214
Long-term receivables		1,147				1,147	
Employment insurance programs		96,589			332,107	428,696	
Debt			734	19,188		19,922	1,180
Self-insurance				100		100	
Pension benefits					6,165,522	6,165,522	
Academic college overhead							2,467
Inventory							2,299
Asset protection and capital projects							5,210
Auxiliary enterprises							9,848
Restricted grants, gifts, and aid							1,513
Loan fund							21,989
Trust indenture							1,295
Landscaping fund							20
	<u>\$ 136,963</u>	<u>\$ 310,625</u>	<u>\$ 734</u>	<u>\$ 57,182</u>	<u>\$ 6,497,629</u>	<u>\$ 7,003,133</u>	<u>\$ 73,035</u>

Changes in General Fund Reserves

The state maintains certain reserves within the General Fund in accordance with the General Laws. These reserves accumulate in the General Fund until withdrawn by statute or used for the intended purposes pursuant to the enabling legislation.

The state maintains a budget reserve in the general fund. Annually, 2% of general revenues and opening surplus are set aside in this reserve account. Amounts in excess of 3% of the total general revenues and opening surplus are transferred to the bond capital fund to be used for capital projects, debt reduction or debt service. The reserve account, or any portion thereof, may be appropriated in the event of an emergency involving the health, safety or welfare of the citizens of the state or in the event of an unanticipated deficit in any given fiscal year. Such appropriations must be approved by a majority of each chamber of the General Assembly.

Appropriations carried forward can only be used for the same purpose as intended in the original budget as enacted by the General Assembly.

The following table summarizes the activity (expressed in thousands) of these reserve accounts for the fiscal year ended June 30, 2001:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

	Reserved Fund Balance July 1, as restated	Additions	Reductions	Reserved Fund Balance June 30
State Budget Reserve Account	\$ 71,269	\$ 53,126	\$ (44,706)	\$ 79,689
Appropriations carried forward				
General revenue	21,739	11,056	(21,739)	11,056
Departmental restricted revenue	30,366	34,521	(30,366)	34,521
Operating transfers in	6,448	11,697	(6,448)	11,697
Total	<u>\$ 129,822</u>	<u>\$ 110,400</u>	<u>\$ (103,259)</u>	<u>\$ 136,963</u>

Designations of Fund Balance

Designated fund balances represent that portion of fund balance segregated to indicate management's tentative plans for future financial resource use.

Designated fund balances in the Special Revenue Funds represent unexpended gasoline tax revenue and unexpended bond proceeds (\$31,436,317) and restricted revenue (\$1,518,734) brought forward to fiscal year 2002.

Designated fund balance in the Capital Projects Funds (\$94,480,713) represents funds committed to capital projects.

Note 9. Operating Transfers

Operating transfers for the fiscal year ended June 30, 2001 are presented below (expressed in thousands):

Fund Type/Fund	Operating Transfers			
	In	Out	From Component Units	To Component Units
Primary Government:				
General	\$ 291,988	\$ 50,461	\$ 36,969	\$ 242,823
Special Revenue:				
R.I. Temporary Disability		1,025		
R.I. Underground Storage Tank Fund				872
Intermodal Surface Transportation	43,394	61,129	1,896	61,924
Providence River Relocation	346			
R.I. Economic Policy Council	5,438			
Subtotal	<u>49,178</u>	<u>62,154</u>	<u>1,896</u>	<u>62,796</u>
Capital Projects:				
Bond Capital	44,706	80,656		36,191
R.I. Clean Water Act/ Environmental Trust Fund				2,348
Subtotal	<u>44,706</u>	<u>80,656</u>		<u>38,539</u>
Debt Service		2,775	115	
Enterprise - State Lottery		180,842		
Internal Service - Central Warehouse	317			
Total	<u>\$ 386,189</u>	<u>\$ 376,888</u>	<u>\$ 38,980</u>	<u>\$ 344,158</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

	Operating Transfers	
	To Primary Government	From Primary Government
Component Units:		
Governmental:		
University of Rhode Island	\$ 3,162	\$ 82,134
Rhode Island College	1,031	42,642
Community College of Rhode Island	180	38,968
Central Falls School District		35,191
Subtotal	<u>4,373</u>	<u>198,935</u>
Proprietary:		
R.I. Economic Development Corporation	1,896	13,480
R.I. Convention Center Authority		19,420
R.I. Depositors Economic Protection Corporation	30,203	1,262
R.I. Higher Education Assistance Authority		7,538
R.I. Public Transit Authority	647	36,964
R.I. Public Telecommunications Authority		1,244
R.I. Children's Crusade for Higher Education		1,685
R.I. Resource Recovery	3,115	
Narragansett Bay Commission	633	
Subtotal	<u>36,494</u>	<u>81,593</u>
Total Component Units	<u>\$ 40,867</u>	<u>\$ 280,528</u>

Reconciliation

	Operating Transfers					
	In	Out	From Component Units	To Primary Government	To Component Units	From Primary Government
Amounts recorded	\$ 386,189	\$ 376,888	\$ 38,980	\$ 40,867	\$ 344,158	\$ 280,528
General					1,050	
Special Revenue						
Intermodal Surface Transportation	354					
Pension Trust						
Employees Retirement Fund		8,410				
State Police Retirement Fund		13				
Judicial Retirement Fund		8				
Municipal Employees Retirement Fund		1,224				
Component Units						
Governmental						
University of Rhode Island						16,555
Rhode Island College						5,062
Community College of Rhode Island						8,112
Proprietary						
R.I. Depositors Economic Protection Corporation			1,887			
R.I. Economic Development Corporation						5,203
Narragansett Bay Commission						5
R.I. Clean Water Finance Agency						2,354
R.I. Public Transit Authority						27,389
	<u>\$ 386,543</u>	<u>\$ 386,543</u>	<u>\$ 40,867</u>	<u>\$ 40,867</u>	<u>\$ 345,208</u>	<u>\$ 345,208</u>

The difference of \$9,655,000 between operating transfers in/out occurs because the Employees' Retirement System recorded the transactions as expenses as required by GASB Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans. The difference of \$354,000 in the Intermodal Surface Transportation Fund (ISTEA) occurred because the respective prior year's due to/due

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

from recorded in the Bond Capital Fund and ISTEAs represented amounts due to/due from the Rhode Island Economic Development Corporation (RIEDC) at the beginning of the fiscal year for a project that RIEDC withdrew from effective July 1, 2000. The difference of \$1,887,000 occurred because the Rhode Island Depositors Economic Protection Corporation recorded the fair value of land that was transferred to the state as an operating transfer to the primary government. The difference of \$1,050,000 occurred because the RIEDC recorded the proceeds of a land transfer as an operating transfer from the primary government. The remaining differences occur because some component units reported funds received from the primary government as contributed capital, grants or increases in fixed assets rather than as operating transfers.

Note 10. Operating Lease Commitments

The primary government is committed under numerous operating leases covering real property. Operating lease expenditures totaled approximately \$12,747,000 for the fiscal year ended June 30, 2001

Most of the operating leases contain an option allowing the state, at the end of the initial lease term, to renew its lease at the then fair rental value. In most cases, it is expected that these leases will be renewed or replaced by other leases.

The following is a summary of material future minimum rental payments (expressed in thousands) required under operating leases that have initial or remaining lease terms in excess of one year as of June 30, 2001:

Fiscal Year Ending June 30	
2002	\$ 11,685
2003	11,182
2004	10,536
2005	10,008
2006	7,471
Later Years	30,757
Total	<u>\$ 81,639</u>

The minimum payments shown above have not been reduced by any sublease receipts.

Note 11. Commitments

Commitments (expressed in thousands) arising from encumbrances outstanding at June 30, 2001 are summarized as follows:

General fund (\$5,600 to be funded by federal funds, \$4,000 to be funded substantially by future appropriations and \$12,900 from other sources)	\$ 22,500
Special revenue funds	212,889
Capital projects funds	37,894
	<u>\$ 273,283</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Encumbrance accounting, under which contracts, purchase orders and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation during the fiscal year, is employed in the governmental fund types. General Fund encumbrances outstanding at fiscal year end are not reported as a reservation of fund balance. These commitments are funded by future appropriations in the subsequent fiscal year. For financial statement purposes, encumbrances outstanding at June 30 of the Special Revenue Funds and the Capital Projects Funds are shown as a reservation of fund balance.

In fiscal year 1999, the state initiated the development of an integrated financial management information system. The system is expected to be implemented in fiscal year 2002. The state has expended approximately \$4,200,000 thus far and expects to spend \$2,000,000 in fiscal year 2002.

The R.I. Economic Development Corporation (RIEDC) entered into several agreements with Providence Place Group Limited Partnership (PPG). The agreements state the terms by which the state shall perform with regard to a shopping mall, parking garage and related offsite improvements developed by PPG. The authority to enter into these agreements was provided in legislation passed by the General Assembly and signed by the Governor. This legislation further provided for payments to the developer, during the first 20 years only, of an amount equal to the lesser of (a) two-thirds of the amount of sales tax generated from retail transactions occurring at or within the mall or (b) \$3,600,000 in the first five years and \$3,560,000 in years 6 through 20.

The Employees' Retirement System of Rhode Island has contracted with a systems integration firm to design and build a new pension administration system. The total cost to the System is estimated at \$16.8 million, of which \$9.1 million has been expended through June 30, 2001. The remaining cost is estimated at \$7.7 million. Full implementation is expected by the second quarter of fiscal 2004. This will be financed in the same manner as other administrative expenses of the System.

Component Units

The R.I. Airport Corporation (RIAC), a subsidiary and component unit of RIEDC, was obligated for completion of certain airport improvements under commitments of approximately \$9,411,000 which is expected to be funded from current available resources and future operations.

The Narragansett Bay Commission has entered into various engineering and construction contracts for the design and improvement of its facilities as part of a capital improvement program. Commitments under these contracts aggregated approximately \$11,696,000 at June 30, 2001.

The R.I. Resource Recovery Corporation's (RIRRC) currently licensed landfill consists of areas known as Phases II, III, and IV. The capacity of Phase I was reached in May 1993. Phases II and III encompass 34 acres adjoining Phase I. Phase II consists of two areas, referred to as Area I and Area II. Waste disposal commenced on Area II in April 1993 and on Area I in March 1995. Phase III commenced in June 1997. Approximately \$10,621,000 in costs relating to Phase II and \$5,303,000 relating to Phase III have been incurred as of June 30,

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

2001, and are included in land and improvements in the financial statements. Phase IV consists of four eleven acre cells of which two cells began accepting refuse in September 2000. To date, \$19,598,485 has been expended on legal fees, permitting and engineering costs related to Phase IV, and other costs associated with readying the area for use, including relocation of a brook.

The Environmental Protection Agency (EPA) established closure and postclosure care requirements for municipal solid waste landfills as a condition for the right to operate a landfill in the current period. Based on RIRRC's engineers and independent engineering studies, it is estimated that these costs of closure and postclosure activities for Phase I, II and III will be approximately \$39,854,000. The liability at June 30, 2001 is approximately \$27,802,000, with \$12,052,000 remaining to be recognized. RIRRC recognizes an expense and a liability for these costs based on landfill capacity used to date. Based on the estimates of RIRRC's engineers, approximately 98% of landfill capacity for Phase II and III, which has approximately two years of estimated life remaining, has been used to date and approximately 22% of capacity of Phase IV has been used to date which has approximately four years of estimated life remaining. Amounts provided for closure and postclosure are based on current costs. These costs may be adjusted each year due to changes in the closure and postclosure care plan, inflation or deflation, technology, or applicable laws and regulations. RIRRC has designated investments in the amount of \$10,623,534 to meet the financial requirements of closure and postclosure costs, and plans to increase these designated investments each year to enable it to pay the costs as they are incurred.

In prior years, the EPA issued administrative orders requiring the RIRRC to conduct environmental studies of the landfill and undertake various plans of action. Additionally, in 1986, the landfill was named to the EPA's Superfund National Priorities List. The majority of the studies were completed and were submitted to the EPA for review. During 1996, the RIRRC entered into a consent decree with the EPA concerning remedial actions taken by the RIRRC for groundwater contamination. The consent decree, which was approved by the U.S. District Court on October 2, 1996, requires the establishment of a trust fund in the amount of \$27,000,000 for remedial purposes. The trust is included in restricted assets held in trust on RIRRC's balance sheet. As of June 30, 2001, the market value of the trust was \$25,277,932. The remaining deposit required to be made to the trust fund for fiscal year 2002 is \$166,624. In February 2001, the RIRRC transferred an additional \$498,777 into the trust fund. The present value of the estimated remaining total expenditures relating to groundwater contamination that will be required as a result of the consent decree is estimated to be approximately \$15,146,000 and is recorded in the financial statements, net of the amount included in the trust fund.

RIRRC is required by the R.I. Department of Environmental Management to restore certain wetlands which are located at the Central Landfill. Total costs for this project are estimated to be approximately \$6,100,000.

RIRRC is committed, under various contracts and agreements, for a materials recovery facility and a methane gas collection-flare system.

In addition, RIRRC is required to grant funds to municipalities to assist them in organizing source separation and recycling programs in their communities.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

RIRRC has entered into an agreement with the City of Cranston to furnish sewer and water services to RIRRC's Johnston facilities in exchange for payments by RIRRC.

The R.I. Convention Center Authority (RICCA) has entered into management contracts with vendors under which these vendors will provide various services relating to the operation of the convention center, parking garages, and hotel. In addition, RICCA has entered into a licensing agreement with a major hotel chain that permits the hotel to use its name, trademark, reservation system and other services.

The R.I. Housing and Mortgage Finance Corporation had loan commitments of \$8,514,000 under various loan programs at June 30, 2001.

The R.I. Turnpike and Bridge Authority has entered into various contracts for maintenance of its bridges. At June 30, 2001 remaining commitments on these contracts approximated \$1,769,000.

The R.I. Public Transit Authority is committed under construction contracts in the amount of \$10,734,254 at June 30, 2001.

The R.I. Higher Education Assistance Authority is required to return to the federal government \$4,310,909 in student loan reserve funds over a period of five years, such that the total is returned by September 1, 2002.

The University of Rhode Island, Rhode Island College and Community College of Rhode Island have begun a technology modernization of core administration systems. This is being accomplished system wide through the Office of Higher Education and will be financed over a seven-year period beginning in fiscal year 2000 at a cost of \$3,700,000, \$2,200,000, and \$2,500,000, respectively.

Note 12. Contingencies

Primary Government

The state is involved in various civil lawsuits which could result in monetary loss to the state. The lawsuits are in various developmental stages, some to the point that a favorable decision, with no or minimal loss is anticipated, others, where the outcome and amount of loss, if any, cannot be determined and others which are still in the discovery stage.

Federal Grants

The state receives significant amounts of federal financial assistance under grant agreements which specify the purpose of the grant and conditions under which the funds may be used. Generally, these grants are subject to audit. Any disallowances as a result of these audits become a liability of the state. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

Moral Obligation Bonds

Some component units issue bonds with bond indentures requiring capital reserve funds. Moneys in the capital reserve fund are to be utilized by the trustee in the event scheduled payments of principal and interest by the component unit are insufficient to pay the bond holder(s). These bonds are considered "moral obligations" of the state when the General Laws require the executive director to submit to the Governor the amount needed to restore each capital reserve fund to its minimum funding requirement and the Governor is required to include the amount in the annual budget. At June 30, 2001 the R.I. Housing and Mortgage Finance Corporation and the R.I. Economic Development Corporation (RIEDC) had \$180,798,795 and \$59,756,495 respectively, in "moral obligation" bonds outstanding. Certain of the RIEDC bonds are economic development revenue bonds whereby the state will assume the debt if the employer reaches and maintains a specified level of full-time equivalent employees. The participating employers have certified that the employment level has been exceeded, thereby triggering credits toward the debt. As a result, the state anticipates paying approximately \$2,489,000 of the debt on the related economic development revenue bonds in fiscal year 2002.

Component Units

R.I. Student Loan Authority

The R.I. Student Loan Authority (RISLA) maintains letters of credit in the original stated amount of \$31,940,000 on its January 1995 weekly adjustable interest rate bonds and the originally stated amount of \$69,203,000 on its April 1996 Series I, II and III variable rate bonds. The letters of credit obligate the letter of credit provider to pay to the trustee an amount equal to principal and interest on the bonds when the same becomes due and payable (whether by reason of redemption, acceleration, maturity or otherwise) and to pay the purchase price of the bonds tendered or deemed tendered for purchase but not remarketed. The RISLA also maintains a standby letter of credit in the original stated amount of \$30,000,000 on its March 2000 issue. The letters of credit will expire on the earliest to occur: a) July 28, 2004, for the January 1995 and April 1996 issue, and March 15, 2003 for the March 2000 issue; b) the date the letter of credit is surrendered to the letter of credit provider; c) when an alternative facility is substituted for the letter of credit; d) when the bonds commence bearing interest at a fixed rate; e) when an event of default has occurred or f) when no amount becomes available to the trustee under the letter of credit.

The RISLA also has an available \$20,000,000 line of credit. Interest is based upon one month London Inter-Bank Offer Rate (LIBOR) plus thirty basis points adjusted weekly. The line of credit is secured by eligible loans of RISLA. Minimum drawdowns on the line of credit are \$100,000 and all proceeds are to be used to purchase or originate eligible student loans. As of June 30, 2001, there was no outstanding balance.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

R.I. Public Transit Authority

The R.I. Public Transit Authority has a \$2,000,000 line of credit with a financial institution. The line of credit is due on demand with interest payable at a floating rate at the financial institution's base rate or fixed rate options at the financial institution's cost of funds plus 2.00%. No amount was due under this line of credit at June 30, 2001.

Note 13. Employer Pension Plans

Plan Descriptions

The state, through the Employees' Retirement System (System), administers four defined benefit pension plans. Three of these plans; the Employees' Retirement System (ERS), a cost-sharing multiple-employer defined benefit pension plan and the Judicial Retirement Benefits Trust (JRBT) and the State Police Retirement Benefits Trust (SPRBT), single-employer defined benefit pension plans; cover most state employees. The state does not contribute to the Municipal Employees' Retirement System, an agent multiple-employer defined benefit pension plan. The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The level of benefits provided to state employees, which is subject to amendment by the general assembly, is established by the General Laws as listed below. In addition to the state, there are 40 local public school entities that are members of the ERS. The System issues a publicly available financial report that includes financial statements and required supplementary information for the plans. The report may be obtained by writing to the Employees' Retirement System, 40 Fountain Street, Providence, RI 02903.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the System are prepared on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when incurred. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Dividend income is recorded on the ex-dividend date. The gains or losses on foreign currency exchange contracts are included in income in the period in which the exchange rates change. Gains and losses on contracts which hedge specific foreign currency denominated commitments are deferred and recognized in the period in which the transaction is completed. Investment transactions are recorded on a trade date basis.

Method Used to Value Investments

Investments are recorded in the financial statements at fair value. Fair value is the amount that a plan can reasonably expect to receive for an investment in a current sale between a willing buyer and a willing seller - that is, other than a forced liquidation sale. The fair value of fixed income and domestic and international stocks are generally based

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

on published market prices and quotations from national security exchanges and securities pricing services. Real estate is primarily valued on appraisals by independent appraisers or as adjusted by the general partner. Other securities and investments, which are not traded on a national security exchange, are valued by the respective fund manager. Short-term investments are stated at cost, which approximates fair value. Unit Investment Trusts (UIT) consist primarily of domestic and international institutional funds. The fair value of the UITs are based on the reported share value of the respective fund. Futures contracts are valued at the settlement price established each day by the board of trade or exchange on which they are traded.

Funding Policy and Annual Pension Cost

The state's annual pension cost (expressed in thousands) for the current year and related information for each plan is listed below. The most recent actuarial information may be found in the separately issued audit report referred to above.

	Employees' Retirement System	State Police Retirement Benefits Trust	Judicial Retirement Benefits Trust
Contribution rates:			
State	7.99%	25.89%	31.09%
Plan members - state employees	8.75%	8.75%	8.75%
State contribution for teachers	4.34% and 5.16%		
Annual pension cost	\$79,906	\$1,820	\$1,164
Contributions made - state employees	\$44,541	\$1,820	\$1,164
Contributions made - teachers	\$35,365		
Actuarial valuation date	June 30, 1998	June 30, 1998	June 30, 1998
Actuarial cost method	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
Amortization method	Level Percent of Payroll - Closed	Level Percent of Payroll - Closed	Level Percent of Payroll - Closed
Equivalent Single Remaining Amortization Period	17 years	24 years	29 years
Asset valuation method	4 Year Moving Average	4 Year Moving Average	4 Year Moving Average
Actuarial Assumptions:			
Investment rate of return	8.25%	8.25%	8.25%
Projected salary increases	4.75% to 8.75%	5% to 15.00%	5.50%
Inflation	3.50%	3.50%	3.50%
Cost-of-living adjustments	3% compounded annually	\$1,500 per annum	3% of original retirement, compounding varies
Level of benefits established by:			
General Law(s)	36-8 to 10	42-28-22.1	8-3-16, 8-8-10.1, 8-8-2-7 and 28-30-18.1

Three-Year Trend Information

	Year Ending	Annual Pension Cost (APC) (In Thousands)	Percentage of APC Contributed	Net Pension Obligation
Employees' Retirement System	6/30/99	\$ 78,729	100%	\$ 0
	6/30/00	85,073	100%	0
	6/30/01	79,906	100%	0
State Police Retirement Benefits Trust	6/30/99	631	100%	0
	6/30/00	1,509	100%	0
	6/30/01	1,820	100%	0
Judicial Retirement Benefits Trust	6/30/99	737	100%	0
	6/30/00	1,008	100%	0
	6/30/01	1,164	100%	0

Other

Certain employees of the University of Rhode Island, Rhode Island College, and the Community College of Rhode Island (principally faculty and administrative personnel) are

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

covered by individual annuity contracts with the Teachers' Insurance and Annuity Association. Total expenditures by the institutions for such annuity contracts amounted to \$10,698,793 during the year ended June 30, 2001.

The R.I. Public Transit Authority has two pension plans that cover employees meeting certain eligibility requirements. Employer contribution paid in fiscal year 2001 was \$2,354,640. At July 1, 2000, the most recent valuation date, the total pension benefit obligation was \$36,060,281 and net assets available for benefits were \$19,525,620.

Certain other component units have defined contribution pension and savings plans. For information regarding these pension and savings plans, please refer to the component units' separately issued financial reports.

Note 14. Postemployment Benefits

In accordance with the General Laws, postretirement health care benefits are provided to state employees who retire on or after July 1, 1989. The benefits in general cover medical and hospitalization costs for pre-Medicare retirees and a Medicare supplement for Medicare-eligible retirees. The state's share varies with years of service and ranges from 50% for retirees with 10-15 years of service to 100% for retirees with 35 years of service. During fiscal year 2001, the state contributed 0.98% of covered payroll for postretirement healthcare benefits. The contribution rates are not actuarially determined. Postretirement health care expenses for the fiscal year ended June 30, 2001 were \$5,189,298, net of retirees' contributions for the 3,517 retirees receiving benefits.

In addition to the pension benefits described above, expenditures of \$1,078,250 were recognized for postretirement benefits provided under early retirement incentive programs (an average of \$1,067 for each of the 1,011 retirees covered by the plans).

The above plans are financed on a pay-as-you-go basis.

Note 15. Deferred Compensation

The state offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The Department of Administration pursuant to Chapter 36-13 of the General Laws administers the plan. The Department of Administration contracts with private corporations to provide investment products related to the management of the deferred compensation plan. Benefit payments are not available to employees earlier than the calendar year in which the participant attains age 70½, termination, retirement, death or "unforeseeable emergency".

Current Internal Revenue Service regulations require that amounts deferred under a Section 457 plan be held in trust for the exclusive benefit of participating employees and not be accessible by the government or its creditors. The plan assets also may be held in annuity contracts or custodial accounts, which are treated as trusts.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The state does not serve in a trustee capacity. Accordingly, the plan assets are not included in the financial statements.

Note 16. Fund Deficits

The Federal Surplus Property Internal Service Fund reported a deficit of \$500 at June 30, 2001. Future revenues or an operating transfer from the General Fund will fund this deficit.

The R.I. Convention Center Authority reported a deficit of \$53,128,029 at fiscal year ended June 30, 2001. This deficit will be funded by future revenues.

The R.I. Public Transit Authority reported a deficit of \$5,962,769 at fiscal year ended June 30, 2001. This deficit will be funded by future revenues.

The R.I. Water Resources Board Corporate reported a deficit of \$1,035,160 at fiscal year ended June 30, 2001. This deficit will be funded by future revenues.

Note 17. Restatement of Fund Equity

Certain restatements of fund equity balances, as of June 30, 2000, are summarized in the following table (expressed in thousands):

	June 30, 2000 Fund Equity As Previously Reported	Adjustments	July 1, 2000 Fund Equity Restated
Primary Government			
General Fund	\$ 213,763	\$ 7,980	\$ 221,743
Special Revenue Funds			
Employment Insurance - Interest Fund	\$ 473	\$ (473)	\$
Employment Insurance - Tardy Fund	498	(498)	
Employment Insurance - Job Development Fund	7,009	(7,009)	
R.I. Temporary Disability Insurance Fund	54,910	34,910	89,820
Other Special Revenue Funds	24,910		24,910
	<u>\$ 87,800</u>	<u>\$ 26,930</u>	<u>\$ 114,730</u>
Internal Service Funds			
Workers' Compensation	\$ (58)	\$ 58	\$
Assessed Fringe Benefits	7	(58)	(51)
Other Internal Service Funds	5,430		5,430
	<u>\$ 5,379</u>	<u>\$</u>	<u>\$ 5,379</u>
Trust and Agency Funds			
Employment Security Trust Fund	\$ 282,607	\$ 37,431	\$ 320,038
Other Trust and Agency Funds	7,070,360		7,070,360
	<u>\$ 7,352,967</u>	<u>\$ 37,431</u>	<u>\$ 7,390,398</u>
Proprietary Component Units			
R.I. Economic Development Corp.	\$ 260,627	\$ (13,574)	\$ 247,053
Other Proprietary Component Units	741,633		741,633
	<u>\$ 1,002,260</u>	<u>\$ (13,574)</u>	<u>\$ 988,686</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Effective July 1, 2000, the Employment Insurance Funds (Federal Programs, Interest, Tardy, and Job Development Funds) are no longer included within the Special Revenue Funds. The assets, liabilities and fund balances of these funds were transferred to the General Fund.

The beginning fund balances of the Rhode Island Temporary Disability Insurance Fund and the Employment Security Trust Fund have been restated to comply with GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions."

The beginning retained earnings of the Assessed Fringe Benefit Internal Service Fund has been restated to include the Workers' Compensation Internal Service Fund.

The beginning retained earnings of the R.I. Economic Development Corporation was restated to correct errors resulting in the overstatement of previously reported assets and to correct the reporting of capitalized costs.

Note 18. Segment Information

Segment information for the governmental and proprietary component units is presented (expressed in thousands) in the following schedules:

Governmental	URI	RIC	CCRI	CFSD
Due from primary government	\$ 858	\$ 867	\$ 422	\$
Other current assets	67,528	16,153	8,585	5,659
General fixed assets	19,237			
Amounts available in debt service fund		209	591	
Amounts to be provided for retirement of GLTD	87,570	22,451	10,378	1,288
Due to primary government	901	402	496	
Other current liabilities	38,742	8,794	5,098	3,278
Bonds payable	87,323	13,555	4,063	
Other long-term liabilities	39,635	9,526	6,907	1,288
Revenues	218,019	47,759	34,454	2,396
Current expenditures	290,022	87,052	71,475	35,619
Capital outlay expenditures	26,650	2,322	1,376	920
Debt service expenditures	2,459	250	419	
Transfers from primary government	82,134	42,642	38,968	35,191
Excess of revenues and expenditures	(13,844)	1,106	(27)	1,048
Net gain from proprietary operations	13,881			

Proprietary	RIHMFC	RISLA	RITBA	RIEDC	RICCA	NBC
Due from primary government	\$	\$	\$	\$ 666	\$	\$
Other current assets	2,004,154	776,333	38,636	182,664	31,521	28,839
Fixed assets (net)	15,229	435	47,605	326,586	213,566	229,792
Due to primary government					2,235	32
Other current liabilities	48,515	17,711	1,798	7,619	5,615	8,027
Bonds payable	1,540,657	715,540	40,661	244,996	295,011	18,321
Other long-term liabilities	203,121			42,554	2,053	53,254
Operating revenue	130,341	55,344	11,224	44,257	41,367	29,819
Operating expenses	117,346	47,999	4,427	38,252	33,506	23,219
Depreciation, depletion and amortization	2,742	460	855	14,602	9,207	5,388
Operating income (loss)	10,253	6,885	5,941	(8,597)	(1,346)	1,212
Transfers from primary government				13,480	19,420	
Transfers to primary government				(1,896)		(634)
Net income (loss)	9,358	6,885	7,300	(7,240)	785	(43)
Current capital contribution				(20,616)		5

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

Proprietary	RIHEBC	RIRRC	DEPCO	RIHEAA	RIPTA	RIIFC
Due from primary government	\$	\$	\$	\$ 9	\$ 2,379	\$
Other current assets	9,862	19,984	14,724	504,560	24,752	1,129
Fixed assets (net)	10	53,796	19	1,496	75,435	
Due to primary government			1,000	33	1,647	
Other current liabilities	13	5,139	628	25,250	25,998	11
Bonds payable						
Other long-term liabilities		42,948	253	1,370	20	654
Operating revenue	1,161	52,092	22,560	5,811	12,100	176
Operating expenses	514	34,504	2,384	12,596	53,583	12
Depreciation, depletion and amortization	4	9,373	2	184	5,703	
Operating income (loss)	644	8,215	20,175	(6,969)	(47,186)	164
Transfers from primary government			1,262	7,538	36,964	
Transfers to primary government		(3,115)	(30,203)		(647)	
Net income (loss)	995	5,100	(6,850)	1,685	(4,965)	(69)
Current capital contribution					28,099	

Proprietary	RICWFA	RIIRBA	RIWRBC	RIPTCA	RICCHE
Due from primary government	\$	\$	\$	\$	\$
Other current assets	308,645	3,914	7,873	2,446	11,319
Fixed assets (net)	36	635		4,681	105
Due to primary government				11	
Other current liabilities	3,665	23	1,257	541	457
Bonds payable	178,039		15,940		
Other long-term liabilities		2,419		6,278	55,750
Operating revenue	13,688	381	1,715	1,559	1,891
Operating expenses	10,548	1,701	28	3,236	6,055
Depreciation, depletion and amortization	83	14	113	767	70
Operating income (loss)	3,057	(1,334)	1,574	(2,444)	(4,233)
Transfers from primary government				1,244	1,685
Transfers to primary government					
Net income (loss)	18,237	(1,160)	(330)	237	(1,256)
Current capital contribution					

Note 19. Risk Management

The state is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; employee injury; and natural disasters.

The state has entered into agreements with commercial insurance companies for comprehensive insurance coverage on state property to protect the state against loss from fire and other risks. Furthermore, the state is required by the General Laws to provide insurance coverage on all motor vehicles owned by the state and operated by state employees in the sum of \$100,000 per person and \$300,000 per accident for personal injury and \$20,000 for property damage. The state also contracts with various insurance carriers and health maintenance organizations to provide health care benefits to employees.

The state is self-insured for risks of loss related to torts. Tort claims are defended by the state's Attorney General and, when necessary, appropriations are provided to pay claims.

The state is self-insured for various risks of loss related to work related injuries of state employees. The state maintains the Assessed Fringe Benefits Fund, an internal service fund that services, among other things, workers' compensation claims. Funding is provided through a fringe benefit rate applied to state payrolls.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

There are no funds reserved for pending claims or incurred but not reported liabilities.

Note 20. Extraordinary Items

The R.I. Housing and Mortgage Finance Corporation periodically retires bonds prior to the redemption date. Deferred bond issuance costs, along with any premium paid on the call, in the amount of \$895,453 were reported as an extraordinary loss in fiscal year 2001.

The R.I. Depositors Economic Protection Corporation reported an extraordinary item of \$904,749. This was the net result of reporting an accounting gain of \$975,800 on the restructure of the existing escrow for defeased special obligation bonds and an accounting loss of \$71,051 on a debt defeasance that was funded through the liquidation of assets, net settlements and excess state sales tax.

Note 21. Related Party Transactions

The R.I. Depositors Economic Protection Corporation (DEPCO) is entitled by statute to six-tenths of one percent within the state's sales and use tax rate. Payment to DEPCO requires an annual appropriation by the General Assembly. The General Assembly is not legally bound or obligated to make such appropriations. Due to the final defeasance of all remaining outstanding bonds on August 3, 2000, the payment agreement between DEPCO and the State was terminated effective August 28, 2000. During fiscal year 2001, DEPCO received \$10,744,323 in sales tax payments which included \$9,482,634 due at June 30, 2000 and payments totaling \$1,261,689 for the period through termination of the payment agreement between DEPCO and the State effective August 28, 2000.

The R.I. Resource Recovery Corporation (RIRRC) entered into a lease and agreement with the state whereby the RIRRC agreed to lease the landfill to the state. Pursuant to this lease and agreement RIRRC issued \$5,000,000 of notes on July 29, 1999. The principal and interest on these notes are secured by rentals as set forth in the lease and agreement. The notes were due on July 30, 2000. On July 29, 2000, the \$5,000,000 and \$200,000 of accrued interest were paid out of available cash and investments.

Funds held by the University of Rhode Island Foundation for the future use of the university and its faculty and students are not reflected in the accompanying financial statements. Funds held at June 30, 2001 amounted to \$75,446,610. Distributions of \$12,162,519 during the fiscal year ended June 30, 2001 are included in private gift revenue of the university.

Funds held by the Rhode Island College Foundation for the future use of the college and its faculty and students are not reflected in the accompanying financial statements. Funds held at June 30, 2001 amounted to approximately \$9,500,000. There were no distributions to RIC during the fiscal year ended June 30, 2001.

As of June 30, 2001, the Employees' Retirement System held investments in bonds issued by the R.I. Housing and Mortgage Finance Corporation having a fair value of \$3,776,503. This corporation is included as a component unit in the accompanying general-purpose financial statements.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Notes to General-Purpose Financial Statements

The R.I. Industrial-Recreational Building Authority is authorized to insure mortgages and first security agreements for companies conducting business in the state, granted by financial institutions and the R.I. Industrial Facilities Corporation.

The state entered into a lease and operating agreement (the agreement) with the R.I. Airport Corporation (RIAC) a subsidiary of the R.I. Economic Development Corporation providing for the lease and/or transfer from the state to the RIAC all real, personal, and tangible property; intangible property, including accounts receivable, contract rights, choices in action, licenses, permits, grants, and entitlements; and all other assets of the state used or used primarily in connection with the administration, maintenance, management, regulation, operation, improvement, development or use of the state's six airports and other air facilities. RIAC agrees to reimburse the state for principal and interest payments for certain airport related General Obligation Bonds. The term of the agreement is 35 years beginning July 1, 1993, with annual rent of \$1.00.

Note 22. Subsequent Events

Primary Government

In July 2001, the state issued \$135,400,000 of general obligation serial bonds. The interest rate on these bonds ranged from 3.25% to 5.50% with maturities from 2002 to 2020.

Component Units

In August, November and December 2001, the R.I. Housing and Mortgage Finance Corporation (RIHMFC) issued bonds in the amount of \$118,785,000, \$51,300,000 and \$63,705,000, respectively. Additionally in October 2001, RIHMFC called \$78,190,000 of bonds outstanding at June 30, 2001.

In November 2001, the R.I. Convention Center Authority issued refunding revenue bonds in the amount of \$101,315,000 to advance refund \$91,885,000 of its 1993 Series A Bonds.

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**REQUIRED SUPPLEMENTARY INFORMATION****SCHEDULES OF FUNDING PROGRESS***(Expressed in thousands)***Employees' Retirement System**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Unfunded Frozen Actuarial Liability (UFAL) (b)	Frozen Initial Liability (c) = (a + b)	Funded Ratio (a / c)	Covered Payroll (d)	Excess as a Percentage of Covered Payroll (b / d)
6/30/98	5,121,478	1,454,527	6,576,005	77.9%	1,113,567	130.6%
6/30/99	5,460,907	1,114,020	6,574,927	83.1%	1,168,300	95.4%
6/30/00	5,859,719	1,375,068	7,234,787	81.0%	1,220,833	112.6%

State Police Retirement Benefits Trust

Actuarial Valuation Date	Actuarial Value of Assets (a)	Unfunded Frozen Actuarial Liability (UFAL) (b)	Frozen Initial Liability (c) = (a + b)	Funded Ratio (a / c)	Covered Payroll (d)	Excess as a Percentage of Covered Payroll (b / d)
6/30/98	6,757	581	7,338	92.1%	7,212	8.1%
6/30/99	8,481	2,361	10,842	78.2%	7,502	31.5%
6/30/00	11,337	2,581	13,918	81.5%	8,917	28.9%

Judicial Retirement Benefits Trust

Actuarial Valuation Date	Actuarial Value of Assets (a)	Unfunded Frozen Actuarial Liability (UFAL) (b)	Frozen Initial Liability (c) = (a + b)	Funded Ratio (a / c)	Covered Payroll (d)	Excess as a Percentage of Covered Payroll (b / d)
6/30/98	4,120	929	5,049	81.6%	3,040	30.6%
6/30/99	5,522	1,894	7,416	74.5%	3,169	59.8%
6/30/00	7,375	2,345	9,720	75.9%	3,533	66.4%

FINANCIAL SECTION

COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS

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GENERAL FUND

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

BALANCE SHEET

GENERAL FUND

June 30, 2001

Assets

Cash and cash equivalents	\$	211,088,754
Receivables (net)		194,845,924
Due from other funds		73,275,386
Due from component units		5,111,666
Due from other governments and agencies		125,907,751
Loans to other funds		5,844,972
Other assets		1,210,404
Total assets	\$	<u>617,284,857</u>

Liabilities and Fund Balance

Liabilities:

Cash overdraft	\$	3,084,740
Vouchers and accounts payable		268,773,992
Due to other funds		12,912,758
Due to component units		1,837,502
Accrued liabilities		23,352,679
Deferred revenue		15,772,563
Other liabilities		23,405,179
Total liabilities		<u>349,139,413</u>

Fund balance:

Reserved:		
Budget reserve		79,689,074
Appropriations carried forward:		
General revenue appropriations		11,056,417
Departmental restricted appropriations		34,521,041
Other, principally capital accounts		11,696,439
Unreserved:		
Undesignated		<u>131,182,473</u>
Total fund balance		<u>268,145,444</u>
Total liabilities and fund balance	\$	<u>617,284,857</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GENERAL FUND

For the Fiscal Year Ended June 30, 2001

Revenues:

Taxes	\$ 2,011,948,691
Licenses, fines, sales, and services	205,042,601
Departmental restricted revenue	77,332,935
Federal grants	1,213,490,953
Income from investments	7,360,526
Other revenues	49,274,714
Total revenues	<u>3,564,450,420</u>

Other financing sources:

Operating transfers in	291,987,876
Operating transfers from component units	36,968,567
Other	67,530,664
Total revenues and other financing sources	<u>3,960,937,527</u>

Expenditures:

Current:	
General government	257,505,765
Human services	1,944,653,610
Education	63,323,775
Public safety	279,626,172
Natural resources	52,795,153
Capital outlays	30,978,601
Intergovernmental	848,126,264
Debt service:	
Principal	79,393,522
Interest and other charges	64,849,089
Total expenditures	<u>3,621,251,951</u>

Other financing uses:

Operating transfers out	50,460,451
Operating transfers to component units	242,822,929
Total expenditures and other financing uses	<u>3,914,535,331</u>

Revenues and other financing sources over expenditures and other financing uses	46,402,196
Fund balance, July 1, 2000, as restated	221,743,248
Fund balance, June 30, 2001	<u>\$ 268,145,444</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF REVENUES, OTHER FINANCING SOURCES, EXPENDITURES, AND OTHER FINANCING USES - GENERAL REVENUE APPROPRIATIONS - BUDGET AND ACTUAL

GENERAL FUND

For the Fiscal Year Ended June 30, 2001

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Taxes	\$ 2,011,700,000	\$ 2,011,948,691	\$ 248,691
Licenses, fines, sales and services	197,000,000	205,042,601	8,042,601
Miscellaneous revenue	57,500,000	56,635,240	(864,760)
Total revenues	2,266,200,000	2,273,626,532	7,426,532
Other financing sources:			
Operating transfers in	190,349,120	192,174,621	1,825,501
Operating transfers from component units	30,315,000	31,315,000	1,000,000
Other	72,152,130	67,264,461	(4,887,669)
Appropriations carried forward from prior year	21,738,955	21,738,955	
Total revenues and other financing sources	2,580,755,205	2,586,119,569	5,364,364
Expenditures:			
<i>Department or Agency/Program</i>			
Administration			
Central Management	1,741,453	1,883,954	(142,501)
Accounts and Control	4,180,355	4,205,554	(25,199)
Financial Management Information System	2,001,445	1,936,037	65,408
Budgeting	2,069,381	2,043,188	26,193
Municipal Affairs	1,219,625	1,218,858	767
Purchasing	2,139,447	1,922,014	217,433
Auditing	1,429,112	1,450,943	(21,831)
Human Resources	6,317,691	6,341,027	(23,336)
Personnel Appeal Board	128,347	119,583	8,764
Taxation	31,497,868	32,812,665	(1,314,797)
Central Services	11,982,318	12,625,962	(643,644)
Energy Office Grants	913,924	626,150	287,774
Office of Library and Information Services	2,509,058	2,539,459	(30,401)
General	10,263,700	9,953,850	309,850
Contingency Fund	1,350,000	1,078,955	271,045
Race and Police Community Relations Commission	309,110	315,549	(6,439)
Slater Technology Fund	2,000,000	2,000,000	
Economic Development Corporation	8,126,807	8,126,807	
Centers for Excellence	3,250,000	3,250,000	
Housing Resources Commission	3,757,822	3,614,207	143,615
Motor Vehicle Excise Tax Payments	70,099,276	75,021,103	(4,921,827)
Property Valuation Program	1,473,000	1,389,246	83,754
Revenue Sharing Program	33,496,050	33,496,050	
Payment in Lieu of Tax Exempt Property	17,616,190	17,614,802	1,388
Distressed Communities Relief Program	7,500,000	7,293,310	206,690
Resource Sharing and State Library Aid	6,000,000	5,990,388	9,612
Library Construction Aid	2,050,000	2,016,071	33,929
Debt Service Payments	112,270,334	112,076,520	193,814

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF REVENUES, OTHER FINANCING SOURCES, EXPENDITURES, AND OTHER FINANCING USES - GENERAL REVENUE APPROPRIATIONS - BUDGET AND ACTUAL *(Continued)*

GENERAL FUND

For the Fiscal Year Ended June 30, 2001

<i>Department or Agency/Program</i>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Business Regulation			
Central Management	1,346,104	1,238,287	107,817
Banking Regulation	1,309,448	1,253,206	56,242
Securities Regulation	670,885	655,354	15,531
Commercial Licensing and Regulation	1,124,684	1,103,811	20,873
Racing and Athletics	670,435	665,552	4,883
Insurance Regulation	3,300,427	3,392,420	(91,993)
Labor and Training			
Central Management	340,096	372,375	(32,279)
Workforce Regulation and Safety	3,543,410	3,926,960	(383,550)
Income Support	2,691,797	2,657,147	34,650
Labor Relations Board	329,296	343,944	(14,648)
Legislature			
Legislature	27,853,568	24,351,032	3,502,536
Legislative Office Building	4,000,000		4,000,000
Office of Lieutenant Governor	701,599	696,440	5,159
Secretary of State			
Administration	1,231,349	1,220,689	10,660
Corporations	1,388,153	1,379,005	9,148
State Archives	265,909	262,410	3,499
Elections	1,522,433	1,485,957	36,476
State Library	714,618	710,148	4,470
Office of Public Information	462,894	432,259	30,635
Office of the General Treasurer			
General Treasury	2,473,587	2,412,086	61,501
Rhode Island Refunding Bond Authority	86,097	77,917	8,180
Crime Victim Compensation Program	2,416,653	2,411,626	5,027
Board for Design Professionals	327,634	357,428	(29,794)
Board of Elections	2,330,624	2,260,980	69,644
Rhode Island Ethics Commission	890,093	628,053	262,040
Office of the Governor	4,019,228	4,013,751	5,477
Public Utilities Commission	735,228	734,122	1,106
Rhode Island Commission on Women	133,014	132,775	239
Children, Youth, and Families			
Central Management	7,217,119	7,018,277	198,842
Friendship Street Renovations	1,005,077	1,308,354	(303,277)
Children's Behavioral Health	20,509,077	19,382,315	1,126,762
Juvenile Corrections	23,809,742	23,855,974	(46,232)
Child Welfare	73,953,863	75,149,958	(1,196,095)
Children's Trust Fund	55,500	55,500	
Harmony Hill New Construction Grant	250,000		250,000
Higher Education Incentive Grants	111,439	57,712	53,727
Elderly Affairs			
General	23,293,585	22,463,072	830,513
Safety and Care of the Elderly	1,000		1,000

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

<i>Department or Agency/Program</i>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Health			
Central Management	2,583,587	2,720,355	(136,768)
State Medical Examiner	1,611,159	1,567,966	43,193
Family Health	7,784,102	7,924,978	(140,876)
Poison Control Center	252,932	268,267	(15,335)
Health Services Regulation	4,222,537	4,374,934	(152,397)
Hospital Care Consultant Report	302,736	301,464	1,272
Environmental Health	4,006,962	3,912,496	94,466
Health Laboratories	5,379,216	5,681,255	(302,039)
Disease Prevention and Control	5,056,098	4,917,664	138,434
Human Services			
Central Management	6,046,902	5,818,758	228,144
Individual and Family Support	19,443,239	18,474,465	968,774
Veterans' Affairs	12,432,099	12,786,459	(354,360)
Health Care Quality, Financing and Purchasing	22,890,682	20,963,106	1,927,576
Medical Benefits - Hospitals	93,400,000	92,189,389	1,210,611
Medical Benefits - Nursing Facilities	113,640,206	113,045,289	594,917
Medical Benefits - Managed Care	104,261,311	105,924,947	(1,663,636)
Medical Benefits - Other	75,204,753	68,895,719	6,309,034
Medical Benefits - Special Education	9,493,730	12,132,482	(2,638,752)
Supplemental Security Income Program	26,646,070	26,409,274	236,796
Family Independence Program	50,345,964	50,665,765	(319,801)
TANF - Family Independence Program	17,073,025	17,043,984	29,041
General Public Assistance	1,978,583	1,877,253	101,330
Food Stamp Replacement for Legal Immigrants	1,689,156	1,668,585	20,571
Citizenship Participation Program	100,000	100,000	
Weatherization One-Time Payment	1,715,000	1,720,873	(5,873)
Mental Health, Retardation, and Hospitals			
Central Management	1,498,533	1,594,623	(96,090)
Hospitals and Community System Support	18,877,022	19,133,613	(256,591)
Services for the Developmentally Disabled	91,629,577	90,263,053	1,366,524
Pivano Trust	289,085	28,095	260,990
Integrated Mental Health Services	29,285,719	29,433,999	(148,280)
Hospital and Community Rehabilitative Services	47,073,055	51,381,198	(4,308,143)
Substance Abuse	14,285,943	13,950,896	335,047
Providence Community Action	213,000	208,327	4,673
Office of the Child Advocate	485,441	526,339	(40,898)
Commission on the Deaf and Hard of Hearing	246,761	233,790	12,971
Governor's Commission on Disabilities	288,101	292,977	(4,876)
Commission for Human Rights	753,548	749,221	4,327
Office of the Mental Health Advocate	243,525	233,966	9,559
Elementary and Secondary Education			
State Aid	539,032,756	538,824,639	208,117
School Housing Aid	30,775,774	30,775,773	1
Teachers' Retirement	36,197,184	35,536,235	660,949
Rhode Island School for the Deaf	5,452,018	5,021,968	430,050
Central Falls School District	31,495,887	31,495,887	

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF REVENUES, OTHER FINANCING SOURCES, EXPENDITURES, AND OTHER FINANCING USES - GENERAL REVENUE APPROPRIATIONS - BUDGET AND ACTUAL *(Continued)*

GENERAL FUND

For the Fiscal Year Ended June 30, 2001

<i>Department or Agency/Program</i>	Budget	Actual	Variance
Elementary and Secondary Education <i>(Continued)</i>			
Davies Career and Technical School	10,128,433	9,945,286	183,147
Metropolitan Career and Technical School	1,980,000	1,980,000	
Program Operations	14,974,834	15,169,472	(194,638)
Computerization of Teacher Certification	100,000	57,800	42,200
Board of Governors	162,841,878	162,750,040	91,838
Rhode Island Council on the Arts			
Operating Support	357,407	375,409	(18,002)
Grants	1,750,000	1,088,478	661,522
Rhode Island Atomic Energy Commission	629,790	629,357	433
Rhode Island Higher Education Assistance Authority			
Needs Based Grants and Work Opportunity	6,519,911	6,593,289	(73,378)
Operations and Other Grants	1,031,099	944,882	86,217
Rhode Island Historical Preservation and Heritage Commission	910,637	910,220	417
Rhode Island Public Telecommunications Authority	1,243,915	1,243,915	
Attorney General			
Criminal	8,943,984	8,959,846	(15,862)
Civil	3,573,286	3,435,159	138,127
Bureau of Criminal Identification	615,846	501,721	114,125
General	1,413,591	1,411,069	2,522
Corrections			
Central Management	8,565,918	8,218,515	347,403
Parole Board	841,292	798,773	42,519
Institutional Corrections	106,090,532	108,178,111	(2,087,579)
Community Corrections	9,021,704	8,530,039	491,665
Transition Housing for Women	100,000		100,000
Judiciary			
Supreme Court	14,701,232	15,374,595	(673,363)
Defense of Indigents	1,550,000	1,527,434	22,566
Superior Court	14,199,958	14,146,582	53,376
Family Court	10,616,894	10,506,507	110,387
District Court	6,534,426	6,503,563	30,863
Traffic Tribunal	5,324,999	5,334,788	(9,789)
Justice Link	3,306,853	2,410,982	895,871
Military Staff			
National Guard	1,688,829	2,177,537	(488,708)
Emergency Management	396,359	442,519	(46,160)
E-911 Emergency Telephone System	3,170,405	3,213,003	(42,598)
Fire Safety Code Board of Appeal and Review	166,143	170,027	(3,884)
Fire Safety and Training Academy	1,308,427	1,306,700	1,727
Commission on Judicial Tenure and Discipline	101,202	110,287	(9,085)
Rhode Island Justice Commission	179,638	180,185	(547)
Municipal Police Training Academy	478,555	426,616	51,939
State Police	34,381,628	36,480,855	(2,099,227)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

<i>Department or Agency/Program</i>	Budget	Actual	Variance
Office of the Public Defender	5,414,059	5,247,635	166,424
Sheriffs of the Several Counties	8,637,905	8,591,158	46,747
Environmental Management			
Policy and Administration	8,950,870	8,495,028	455,842
Natural Resources	14,396,273	14,915,901	(519,628)
Environmental Protection	8,811,122	8,817,284	(6,162)
Coastal Resources Management Council	1,158,413	1,114,228	44,185
State Water Resources Board	1,004,505	962,218	42,287
Total expenditures	2,488,573,708	2,482,676,487	5,897,221
Other financing uses:			
Appropriations carried forward		11,056,417	(11,056,417)
Total expenditures and other financing uses	2,488,573,708	2,493,732,904	(5,159,196)
Revenue and other financing sources over expenditures and other financing uses	\$ 92,181,497	\$ 92,386,665	\$ 205,168

Concluded

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND RESTRICTED REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2001

Account Number	Account Title	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
1072-80100	General Hospital - Donations from Public		526	526			
1080-80400	Asset Forfeiture	55,000	97,507	42,507	55,000	55,000	
1102-80601	Indirect Cost Recovery - Central Management	1,638,372	1,991,476	353,104	1,638,372	1,991,476	(353,104)
1131-80100	Making The Grade - RWJ Foundation	339,317	241,325	(97,992)	339,317	226,329	112,988
1131-80200	RWJ-Making The Grade - Planning	154,761	158,011	3,250	154,761	158,011	(3,250)
1134-80100	Infant - Child Immunization	3,404,765	3,111,948	(292,817)	3,404,765	3,111,948	292,817
1134-80200	All Kids Count		6,506	6,506		6,506	(6,506)
1140-80400	Managed Care Regulation	429,208	456,938	27,730	429,208	410,050	19,158
1173-80200	Drinking Water Revolving Fund	682,179	854,074	171,895	682,179	854,074	(171,895)
1193-80100	RI Research Fund - Breast and Cervical Cancer	5,000	1,000	(4,000)	5,000	1,000	4,000
1193-80200	ALF - Tobacco	75,000	68,689	(6,311)	75,000	68,689	6,311
1210-80101	Indirect Cost Recovery - Central Management	1,780,157	1,793,113	12,956	1,780,157	1,793,113	(12,956)
1235-80100	Veterans Home Collections	1,627,998	2,271,842	643,844	1,627,998	712,078	915,920
1235-80300	Veterans Home - Resident Benefits	1,800	2,076	276	1,800	2,076	(276)
1235-80500	Veterans Cemetery Memorial Fund	467,433	448,063	(19,370)	467,433	327,235	140,198
1236-80200	R.W.J. Grant	83,798	83,798		83,798	83,797	1
1237-80100	Vending Stand Proceeds	73,680	159,469	85,789	73,680	113,780	(40,100)
1246-80100	Health Indicators Dvlpmnt. Project	239,500	276,988	37,488	239,500	276,988	(37,488)
1246-80200	Health Care Quality	397,988	173,375	(224,613)	397,988	69,556	328,432
1256-80100	Food Stamp Bonus		4	4			
1260-80100	Organ Transplant Fund	15,000	39,738	24,738	15,000	8,010	6,990
1260-80200	Medicaid Provider Participation		46,648	46,648		35,092	(35,092)
1370-80100	Custody of US Detainees	3,950,209	4,236,577	286,368	3,950,209	3,361,490	588,719
1410-80114	Indirect Cost Recovery - Pgm. Spprt.	49,740	49,342	(398)	49,740	49,342	398
1410-80121	Indirect Cost Recovery - Pgm. Spprt.	513,880	780,483	266,603	513,880	529,940	(16,060)
1410-80500	CCSSO Leadership		50,000	50,000		175	(175)
1410-80553	Carnegie Foundation		698	698		698	(698)
1430-80100	NE Dairy Compact Rmbrsmnt. Pgm.	35,000	24,683	(10,317)	35,000	24,683	10,317
1430-81200	Project Communication Coordination	11,599	1,418	(10,181)	11,599		11,599
1440-80333	Education Partnership Fund	25,000	474	(24,526)	25,000	474	24,526
1440-84133	HRIC - Workplace Literacy		(1,392)	(1,392)		(1,392)	1,392
1652-80000	Donley Rehabilitation Center and Second Injury Fund		4,464,634	4,464,634			
1652-80100	Office of Director - Workers Comp.	444,898	702,683	257,785	444,898	702,683	(257,785)
1652-80200	Claims Monitoring and D P Unit	2,088,194	2,062,506	(25,688)	2,088,194	2,062,506	25,688
1652-80300	Donley Ctr. Oprtns. - Workers Comp.	4,251,032	3,924,342	(326,690)	4,251,032	3,924,342	326,690
1652-80400	Education Unit - Workers Comp.	491,619	592,489	100,870	491,619	592,489	(100,870)
1652-80500	Scnd. Injury Indemnity Fd. Operation	2,720,051	2,762,074	42,023	2,720,051	2,762,074	(42,023)
1652-80600	Injured Workers Incentive Benefit	110,000	86,447	(23,553)	110,000	69,164	40,836
1652-81000	Self-Insurance Operations	210,537	182,897	(27,640)	210,537	182,897	27,640
1653-80100	R. W. Johnson Foundation Grant	147,583	109,265	(38,318)	147,583	109,265	38,318
1670-80100	ES - Reemployment Program	827,112	957,148	130,036	827,112	76,842	750,270
1676-80100	Human Resource Investment Council	8,920,280	17,349,021	8,428,741	8,920,280	7,489,576	1,430,704
1676-80200	Job Development Fund	267,034	342,492	75,458	267,034	40,631	226,403
1690-80100	Tardy Fund	537,664	1,327,705	790,041	537,664	1,010,114	(472,450)
1695-80100	Interest Fund	414,066	1,107,492	693,426	414,066	513,512	(99,446)
1720-81000	Oil Spill Prvntn. Adm. and Resp Fund	5,485,264	9,168,596	3,683,332	5,485,264	3,974,998	1,510,266
1721-80100	Boat Registration	478,632	1,044,315	565,683	478,632	418,502	60,130
1721-80300	Indirect Cost Recovery - Admin.	219,442	210,881	(8,561)	219,442	210,881	8,561
1721-80301	Indirect Cost Recovery - Admin.	81,581	81,573	(8)	81,581	81,573	8
1721-80302	Indirect Cost Recovery - Legal	73,944	73,944		73,944	73,944	

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Account Number	Account Title	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
1721-80303	Indirect Cost Recovery - Human Res.	88,762	88,753	(9)	88,762	88,753	9
1725-80100	National Heritage Revolving Fund	175,000	329,614	154,614	175,000	173,863	1,137
1725-81600	Champlin Gt. for Goddard Horse Barn	325,000	525,000	200,000	325,000		325,000
1730-80103	Ind. Cost Recovery - Pbc. Res. Mgt.	55,000	246,475	191,475	55,000	246,475	(191,475)
1732-80100	Fishing License Receipts	232,485	305,365	72,880	232,485	305,365	(72,880)
1732-80200	Hunting License Receipts	285,459	331,471	46,012	285,459	331,471	(46,012)
1732-80300	Fishing and Hunting Receipts - Acquisition and Development	325,762	538,879	213,117	325,762	148,667	177,095
1732-80400	Shellfish and Marine License Receipts	922,564	1,255,567	333,003	922,564	996,177	(73,613)
1732-80600	Sale of Trout Conservation Stamp	161,492	381,505	220,013	161,492	160,533	959
1732-80900	Migratory Waterfowl Stamp	44,906	72,232	27,326	44,906	26,051	18,855
1733-80200	State Forestry Fund	119,099	77,271	(41,828)	119,099	51,823	67,276
1735-80100	Boating Safety	781,045	821,463	40,418	781,045	821,463	(40,418)
1751-80900	State Revolving Fund Administration	179,915	199,303	19,388	179,915	199,303	(19,388)
1751-81300	Indirect Cost Rcvry. - Water Rsrcs.	252,500	267,968	15,468	252,500	267,968	(15,468)
1753-80300	Underground Storage Tank Rplcmnt.	500		(500)	500		500
1753-80400	Sewage and Water Supply Failure Fund		17,091	17,091			
1754-80200	Environmental Response Fund	407,242	651,531	244,289	407,242	651,531	(244,289)
1754-80600	Water and Air Protection Program	630,160	1,334,311	704,151	630,160	1,120,884	(490,724)
1754-80601	Water and Air Protection - Water Res.		2,728	2,728			
1758-80100	Underground Storage Tank Trust Fund Reimbursement		104,813	104,813		41	(41)
1758-80300	Tire Reclamation Project		6,365	6,365			
1759-80100	Underground Storage Tank Fees	180,016	219,370	39,354	180,016	219,370	(39,354)
1825-80900	Real Estate Appraiser - Rgstrtn. Fees	21,000	22,649	1,649	21,000	10,200	10,800
1825-81100	Real Estate Recovery	80,000	286,576	206,576	80,000	39,000	41,000
1830-80100	Assessment for Cost of Rate Filings	153,324	106,230	(47,094)	153,324	106,230	47,094
1830-80200	Ins. Companies Assessment Actuary	200,000	147,388	(52,612)	200,000	140,287	59,713
2024-83000	Juvenile Accountability Incentive Intrst		2,876	2,876			
2024-83100	99 Juvenile Accountability Incentive		40,007	40,007			
2041-80100	Technical Assistance Projects	1,750	8,135	6,385	1,750	1,161	589
2041-80200	Human Resource Investment Council		17,795	17,795		6,000	(6,000)
2061-80400	Art for Public Facilities Fund	263,370	10,930	(252,440)	263,370	(3,300)	266,670
2061-80500	Arts Council Private Donations		40	40			
2062-80100	Survey and Planning - Rstrctd. Fund	4,800	20,452	15,652	4,800	6,915	(2,115)
2062-80300	Historic Preservation Easement Fund	20,633	280,871	260,238	20,633	75,608	(54,975)
2062-80500	Historic Preservation Revolving Fund	200,000	663,430	463,430	200,000		200,000
2062-80600	His. Prsrvtn. Rev. Fund - Int. Revenue	99,530	47,537	(51,993)	99,530	37,420	62,110
2070-80100	Forfeited Prop. Retained - State Pol.	119,563	186,366	66,803	119,563	140,940	(21,377)
2070-80400	Forfeited Property - Gambling	36,500	71,981	35,481	36,500	30,465	6,035
2070-80900	Cmprhnsv. Crime Ctrl. Act - Fed. Reg.	585,774	765,117	179,343	585,774	592,477	(6,703)
2070-81000	Forfeiture of Motor Vehicles		7,440	7,440		7,440	(7,440)
2085-80100	E-911 Telephone System Division		353,283	353,283		353,283	(353,283)
2086-80100	Seized and Forfeited Property - Federal Distribution		3,612	3,612			
2088-80100	Non-State Fund for Title III Program	100,610	47,076	(53,534)	100,610	47,076	53,534
2088-80200	Indirect Cost Recovery	3,000	95,691	92,691	3,000	3	2,997
2111-80400	Historical Records Trust Fund	181,502	672,274	490,772	181,502	141,813	39,689
2211-80800	Consumer Protection/Education		37,971	37,971		37,971	(37,971)
2230-80100	Forfeiture of Property	161,455	155,685	(5,770)	161,455	139,320	22,135
2230-80500	Gambling Forfeitures	8,700	22,977	14,277	8,700	13,204	(4,504)
2230-80600	Federal Forfeitures		9	9			
2250-80900	Public Utilities	390,633	377,875	(12,758)	390,633	377,875	12,758

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND RESTRICTED REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL (Continued)

For the Fiscal Year Ended June 30, 2001

Account Number	Account Title	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
2250-81100	Consumer Education - NAAG		197,649	197,649			
2250-81200	Attorney General		1,469	1,469			
2310-80100	Forfeited Property Fund		6,575	6,575		6,575	(6,575)
2310-80300	Violent Crimes Compensation	1,676,096	1,577,064	(99,032)	1,676,096	1,577,064	99,032
2310-81100	Childhood Disease Victims Fund	11,098	28,096	16,998	11,098	11,098	
2330-80300	RI Rfndng. Bond Auth. - Admin.		1,164	1,164			
2340-80400	Unclaimed Property Program	9,346,519	5,080,845	(4,265,674)	9,346,519	5,080,845	4,265,674
2410-80100	Proceed From Lease/Sale of Property To RIPBA	487,608	487,608		487,608	487,608	
2450-80200	Depco Escrow Account		1,261,689	1,261,689		1,261,689	(1,261,689)
2450-80400	Indirect Cost Recovery - Child Support Enforcement	100,000		(100,000)	100,000		100,000
2457-80100	Vehicle Value Comm. - Municipal	15,838	30,043	14,205	15,838	14,428	1,410
2459-80100	Job Development	207,498	205,162	(2,336)	207,498	205,162	2,336
2460-80100	NE Rgnl. Indstrl. Tchnlgy. Collaborative		306	306			
2460-81410	Exxon Oil Overcharge Interest Earnings		729,721	729,721		151,325	(151,325)
2460-83410	Stripper Well Oil Ovchrg. Int. Earnings	1,311,278	1,649,216	337,938	1,311,278	861,278	450,000
2460-83510	Diamond Shamrock Ovch. Int. Earngs.	55,852	59,777	3,925	55,852		55,852
2460-83610	Coline Gas and National Helium Corp Oil Overcharge	16,674	17,800	1,126	16,674		16,674
2470-80100	Rgnl. Library for Blind and Hndcpd.	5,000	11,615	6,615	5,000	1,943	3,057
2470-80200	Summer Reading Program	5,617		(5,617)	5,617		5,617
2480-80100	Restoration and Replace - Ins. Cvrge.	565,269	1,106,766	541,497	565,269	214,815	350,454
2480-81000	RI Independent Insurance Grant		18,683	18,683			
2484-81600	RIRBA - DLT - Job Development Fund	22,026	22,026		22,026	22,026	
2484-82443	RIRBA - Workers Comp. Fraud Unit	26,184	26,196	12	26,184	26,196	(12)
2485-80200	COPS - Center General-Furniture - WC	45,630	46,871	1,241	45,630	46,871	(1,241)
2485-80500	COPS - DLT Building - WC	217,393	218,538	1,145	217,393	218,538	(1,145)
2485-80700	COPS - DLT Building - Job Dev Fund	15,547	60,038	44,491	15,547	60,038	(44,491)
2485-80800	COPS - Center General Furniture - JDF		14,212	14,212		14,212	(14,212)
2485-80900	COPS - Pastore Center Telecomm - JDF	890	3,329	2,439	890	3,329	(2,439)
2485-85000	COPS - Howard Center Tele. - WC	12,449	12,116	(333)	12,449	12,116	333
2486-80800	RICCA - Excess Debt Serv. Rntl. Pmt.	4,535,108	4,535,108		4,535,108	4,535,108	
2626-80100	Audit of Federal Assistance Programs	728,215	2,040,848	1,312,633	728,215	985,749	(257,534)
2630-80100	Martin Luther King Commission - Grant and Scholarship		4,151	4,151			
2710-80100	Advisory Committee on Women and Minorities		8,500	8,500		1,663	(1,663)
2710-80200	Examination of Racial and Ethnic Bias in RI Courts	5,000	5,000		5,000		5,000
2710-80400	RI Supreme Crt. Disciplinary Counsel	680,275	1,048,340	368,065	680,275	681,418	(1,143)
2710-80900	Victims Rights Information	50,000	51,352	1,352	50,000	50,000	
2729-80100	Indirect Cost Recovery - Family Court	236,522	218,259	(18,263)	236,522	218,259	18,263
2735-80100	Open Society Institute (OSI) Grant	19,651	70,575	50,924	19,651	1,045	18,606
2750-80100	General Operations	4,258,296	4,259,590	1,294	4,258,296	4,259,590	(1,294)
2750-80200	Retirement Benefits of Commissioners and Judges	306,579	332,481	25,902	306,579	332,481	(25,902)
2841-80300	Public Utilities Commission - General	3,578,687	3,803,452	224,765	3,578,687	3,001,598	577,089
2841-80400	Public Utilities Reserve Account	1,081,104	577,732	(503,372)	1,081,104	576,857	504,247

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Account Number	Account Title	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
2841-80600	Energy Facility Siting Fund	125,000	61,604	(63,396)	125,000	61,604	63,396
2899-80100	RI Foundation		1	1			
3330-80100	Trainees Benefits - RI Training School	8,000	5,061	(2,939)	8,000	1,521	6,479
3340-80200	Social Security Income	1,257,407	1,619,711	362,304	1,257,407	1,539,161	(281,754)
		<u>\$ 82,638,678</u>	<u>107,721,588</u>	<u>\$ 25,082,910</u>	<u>\$ 82,638,678</u>	<u>\$ 73,200,547</u>	<u>\$ 9,438,131</u>
	Less: Actual Expenditures And Other Uses		(73,200,547)				
	Restricted Revenue Appropriations Carried Forward to Fiscal Year 2002		<u>\$ 34,521,041</u>				

Concluded

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND OPERATING TRANSFERS IN, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2001

Account Number	Account Title	Operating Transfers In and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
1032-90200	RICAP - Howard Center Utility	\$ 288,000	\$ 288,000	\$	\$ 288,000	\$ 46,470	\$ 241,530
1032-90300	RICAP - Medical Center Rehabilitation	333,520	333,520		333,520	243,052	90,468
1032-90400	RICAP - Water Tanks and Pipes	21,000	21,000		21,000	9,675	11,325
1032-90600	RICAP - Environmental Mandates	20,000	20,000		20,000	20,000	
1032-90900	RICAP - Central Power Plant Rehabilitation	360,000	360,000		360,000		360,000
1074-90100	RICAP - Debt Service - Zambarano	145,000	145,000		145,000	104,354	40,646
1080-90100	RICAP - Asset Protection	109,426	109,426		109,426	69,930	39,496
1104-90100	Trauma Registry	204,623	116,854	(87,769)	204,623	116,854	87,769
1230-90100	RICAP - Forand Building Exterior Shell	20,000	20,000		20,000	4,803	15,197
1230-90300	RICAP - Forand Building Steam Chiller		(1,537)	(1,537)		(1,537)	1,537
1370-90300	RICAP - Perimeter & Security Upgrades	573,391	1,351,298	777,907	573,391	1,351,298	(777,907)
1370-90400	RICAP - Fire Code Safety Improvements	891,852	891,852		891,852	217,836	674,016
1370-90500	RICAP - High Security - Fire Alarm/HVAC	381,271	381,271		381,271	353,264	28,007
1370-90600	RICAP - DOC Capital Project	556,000	556,000		556,000		556,000
1370-90700	RICAP - Smoke Evacuation System - Max	83,180	83,180		83,180	63,744	19,436
1370-90800	RICAP - Roof Replacement - Max	809,350	809,350		809,350	40,470	768,880
1370-90900	RICAP - Window Replacement - DIX and G	365,230	365,230		365,230	18,998	346,232
1370-91000	RICAP - Dix Expansion - Phase II	589,000	589,000		589,000		589,000
1370-91100	RICAP - D-Building State Match	405,850	405,850		405,850	234,579	171,271
1370-91300	RICAP - Maximum - General Renovations	131,700	131,700		131,700	54,627	77,073
1370-91500	RICAP - Dix Expansion - State Match	44,660	44,660		44,660	1,482	43,178
1430-90300	JPTA - NRI - Hearing		10,179	10,179			
1440-90100	RICAP - Woonsocket Vocational HVAC	297,079	297,079		297,079	286,919	10,160
1440-90200	RICAP - Chariho Vctnl - Roof/Window	27,889	27,889		27,889	26,603	1,286
1440-90300	RICAP - Hazardous Materials Storage/Dust	181,547	181,547		181,547	181,547	
1440-90400	RICAP - East Prov. Vocational - HVAC	59,020	59,020		59,020	49,420	9,600
1440-90500	RICAP - School for the Deaf - Phys Ed	31,750	31,750		31,750	18,281	13,469
1440-90700	RICAP - Hanley HVAC System	205,000	205,000		205,000	113,383	91,617
1440-90800	RICAP - State Facilities Fire Alarms	57,150	57,150		57,150	18,376	38,774
1710-90100	RICAP - Allendale Dam	41,680	41,680		41,680		41,680
1725-90100	DOT Recreational Projects	220,000	175,962	(44,038)	220,000	175,962	44,038
1725-90400	Final Design Blackstone River Bike Facility	1,106,277	821,278	(284,999)	1,106,277	821,278	284,999
1731-91200	RICAP - Misquamicut Beach	29,074	29,074		29,074	29,074	
1731-91300	RICAP - Recreational Facilities Improveme	149,208	149,208		149,208	135,319	13,889
1731-91400	RICAP - Brenton Point	30,000	30,000		30,000	30,000	
1731-91500	RICAP - Westerly Boat Ramp	187	187		187	187	
1732-91200	RICAP - Fish and Wildlife Office/Lab	1,500,000	1,500,000		1,500,000	1,401,635	98,365
1736-91200	RICAP - Pier Upgrades	1,390,455	1,390,455		1,390,455	1,030,484	359,971
1736-91300	RICAP - Newport Pier Upgrades	1,690,476	2,083,786	393,310	1,690,476	2,083,786	(393,310)
1751-91600	Aquafund	52,966		(52,966)	52,966		52,966
1760-90900	RICAP - Dam Repair	955,411	955,411		955,411	358,226	597,185
2062-90100	RICAP - Eisenhower House Roof and Chir	127,900	127,900		127,900	127,900	
2062-90200	RICAP - Eisenhower House - Exterior Paint	20,000	20,000		20,000	20,000	
2070-90200	RICAP - Headquarters Repairs/Renovation	29,565	29,565		29,565	24,212	5,353
2070-90500	Traffic Enforcement		176,728	176,728		176,728	(176,728)
2070-90501	Traffic Enforcement - Municipal Training	249,698		(249,698)	249,698		249,698
2070-90600	Lottery Commission Assistance	100,494	97,998	(2,496)	100,494	97,998	2,496
2070-90700	Road Construction Detail Reimbursements	2,292,484	1,998,488	(293,996)	2,292,484	1,998,488	293,996
2086-90100	Rails To Trails - Military Staff	300,000	148,497	(151,503)	300,000	146,134	153,866
2089-90300	RICAP - Bristol Armory Rehabilitation	40,000	54,854	14,854	40,000	54,854	(14,854)
2089-90400	RICAP - Benefit St Armory Rehabilitation	15,780	15,780		15,780	11,994	3,786
2360-90100	Retirement - Administration	11,119,206	9,162,085	(1,957,121)	11,119,206	9,162,085	1,957,121
2360-90101	Retirement - Investment Operations	528,997	492,149	(36,848)	528,997	492,149	36,848
2454-90100	Motor Fuel Tax Evasion Program	91,013	73,653	(17,360)	91,013	73,653	17,360

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND OPERATING TRANSFERS IN, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2001

Account Number	Account Title	Operating Transfers In and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
2456-90100	Auto Emissions Program - CMAQ	172,064	161,120	(10,944)	172,064	161,120	10,944
2459-90200	Employer Tax - Temporary Disability Insura	567,265	560,796	(6,469)	567,265	560,796	6,469
2462-90100	Lighting Conservation	661,278	266,204	(395,074)	661,278	266,204	395,074
2472-90100	FHWA Planning - Systems Planning	763,994	690,908	(73,086)	763,994	690,908	73,086
2472-90200	FHWA - T2 - Systems Planning	103,550	89,386	(14,164)	103,550	89,386	14,164
2472-90300	Air Quality Modeling	20,283		(20,283)	20,283		20,283
2480-90200	Debt Service Special Account		10,332,340	10,332,340		10,282,625	(10,282,625)
2480-90600	RICAP - State House Renovations - Phase	495,000	495,000		495,000		495,000
2480-90700	RICAP - State House Skylights	1,513,209	1,513,209		1,513,209		1,513,209
2480-90800	RICAP - State House Terrace Walls/South	1,036,804	1,608,042	571,238	1,036,804	1,608,042	(571,238)
2480-91000	RICAP - Chapin Health Laboratory	358,843	358,843		358,843	243,216	115,627
2480-91100	RICAP - Cranston Street Armory	358,251	358,251		358,251	263,064	95,187
2480-91300	RICAP - Underground Strg. Tank Rmdtn.	81,717	81,717		81,717	81,717	
2480-91400	RICAP - Cannon Building	397,852	397,852		397,852	159,993	237,859
2480-91600	RICAP - House & Senate Chmbs Rnvtns	325,012	325,012		325,012	115,249	209,763
2480-91700	RICAP - State House Elevator	418,000	418,000		418,000	391,525	26,475
2480-91800	RICAP - Ladd Center	2,474,368	2,474,368		2,474,368	1,000,322	1,474,046
2480-92200	RICAP - Old State House	40,000	40,000		40,000		40,000
2480-92300	RICAP - State Office Building	22,517	22,517		22,517	12,120	10,397
2480-92400	RICAP - Veterans Office Building	75,000	75,000		75,000	1,796	73,204
2480-92500	RICAP - Information Operatins Center	75,000	75,000		75,000	67,982	7,018
2480-92600	RICAP - Old Colony House	98,000	98,000		98,000		98,000
2480-92700	RICAP - Court Buildings - HVAC	314,301	314,301		314,301	156,380	157,921
2480-92900	RICAP - Washington Cty Government Cen	50,000	50,000		50,000		50,000
2480-93100	RICAP - State House Renovations - Phase	17,336	17,336		17,336	8,688	8,648
2480-93600	RICAP - Environmental Compliance	900,000	900,000		900,000	882,205	17,795
2480-93700	RICAP - Fox Point Hurricane Barrier	266,409	266,409		266,409	266,409	
2483-91702	RICAP - DEM Debt Service NBA	655,402	655,402		655,402	655,402	
2483-91751	RICAP - DEM Debt Service WWT	6,697,391	6,697,391		6,697,391	6,697,391	
2483-95310	RIPTA Debt Service	647,222	647,222		647,222	647,222	
2483-95332	Transportation Debt Service	42,167,763	41,980,903	(186,860)	42,167,763	41,980,903	186,860
2484-95902	RIRBA - DLT Temporary Disability Insura	60,222	60,222		60,222	60,222	
2485-90200	COPS - DLT Building - Other	359,451	382,842	23,391	359,451	382,842	(23,391)
2485-90300	COPS - Center General - Furniture - TDI	2,163		(2,163)	2,163		2,163
2485-90400	COPS - Pastore Center Telecomm - TDI	20,584	21,226	642	20,584	21,226	(642)
2486-91100	Debt - URI Education and General	795,168	826,781	31,613	795,168	826,781	(31,613)
2486-91400	Debt - URI Housing Loan Funds	1,695,473	1,694,569	(904)	1,695,473	1,694,569	904
2486-91420	Debt - URI Dining Services	236,898	237,993	1,095	236,898	237,993	(1,095)
2486-91425	Debt - URI Health Services	112,035	112,553	518	112,035	112,553	(518)
2486-91427	Debt - W Alton Jones Services	99,207	99,665	458	99,207	99,665	(458)
2486-91432	Debt - URI Memorial Union	87,234	87,636	402	87,234	87,636	(402)
2486-91501	Debt - URI Sponsored Research Ind Cost	102,758	102,551	(207)	102,758	102,551	207
2486-95100	Debt - RIC Education and General	266,458	265,693	(765)	266,458	265,693	765
2486-95400	Debt - RIC Housing	522,185	521,358	(827)	522,185	521,358	827
2486-95401	Debt - RIC Student Center and Dining	158,973	158,669	(304)	158,973	158,669	304
2486-95404	Debt - RIC Student Union	36,550	85,588	49,038	36,550	85,588	(49,038)
2486-97402	Debt - CCRI Bookstore	179,768	179,768		179,768	179,768	
2710-90100	RICAP - Kent County Court House	218,805	218,805		218,805	218,305	500
2710-90200	RICAP - Garrahy Judicial Complex Renove	940,000	940,000		940,000		940,000
2710-90201	RICAP - Garrahy Complex - Roof Repair	350,000	350,000		350,000	27,370	322,630
2710-90400	RICAP - Licht Exterior/Interior Refurbishme	337,774	337,774		337,774	208,035	129,739
2710-90500	RICAP - Murray Interior Refurbishment	75,000	75,000		75,000	74,519	481
2710-90700	RICAP - McGrath Exterior Refurbishment	140,000	140,000		140,000	140,000	

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND OPERATING TRANSFERS IN, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2001

Account Number	Account Title	Operating Transfers In and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
2820-90200	RINSC - Building Repairs	20,000	20,000		20,000	20,000	
2820-90300	North Bunker Roof Replacement	33,600	33,600		33,600	33,600	
2820-95511	URI Sponsored Research	124,071	124,090	19	124,071	124,090	(19)
2835-90100	RICAP - Big River Management Area	86,363	89,958	3,595	86,363	89,958	(3,595)
2835-90200	RICAP - BRMA Water Survey	112,261	112,261		112,261	112,261	
2835-90300	RICAP - Water Allocation Plan	462,981	464,867	1,886	462,981	464,867	(1,886)
2835-90700	RICAP - Groundwater Prot/Acqu Program	86,267	86,267		86,267	83,334	2,933
3260-90100	Almasc - Dislocated Workers		3,583	3,583			
3260-90800	JTPA Title II		1,467	1,467			
3260-91500	Gas Tax	4,700,000	5,017,615	317,615	4,700,000	4,771,805	(71,805)
3350-90100	Spurwink/RI		16,077	16,077		16,077	(16,077)
		<u>\$103,469,439</u>	<u>112,305,013</u>	<u>\$ 8,835,574</u>	<u>\$103,469,439</u>	<u>\$100,608,574</u>	<u>\$ 2,860,865</u>
	Less: Actual Expenditures And Other Uses		<u>(100,608,574)</u>				
	Operating Transfers Carried Forward To Fiscal Year 2002		<u>\$ 11,696,439</u>				

Concluded

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2001

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
MENTAL HEALTH, RETARDATION AND HOSPITALS							
16.727	Enforcing Underage Drinking Laws Program	\$ 485,948	\$ 457,346	\$ (28,602)	\$ 485,948	\$ 457,346	\$ 28,602
84.126	Rehabilitation Services -Vocational Rehabilitation Grants to States	646,323	378,410	(267,913)	646,323	378,410	267,913
84.186	Safe and Drug-Free Schools and Communities - State Grants	470,345	423,949	(46,396)	470,345	423,949	46,396
93.150	Projects for Assistance in Transition from Homelessness (PATH)		298,295	298,295		298,295	(298,295)
93.230	Consolidated Knowledge Development and Application Program	625,000	557,395	(67,605)	625,000	557,395	67,605
93.238	Cooperative Agreements for State Treatment Outcomes and Performance Pilot Studies Enhancement	342,052	219,773	(122,279)	342,052	219,773	122,279
93.242	Mental Health Research Grants	99,000	78,404	(20,596)	99,000	78,404	20,596
93.278	Drug Abuse National Research Service Awards for Research Training	35,035	11,078	(23,957)	35,035	11,078	23,957
93.778	Medical Assistance Program	186,310,303	172,811,510	(13,498,793)	186,310,303	172,811,510	13,498,793
93.958	Block Grants for Community Mental Health Services	1,483,793	1,277,554	(206,239)	1,483,793	1,277,554	206,239
93.959	Block Grants for Prevention and Treatment of Substance Abuse	6,184,694	5,845,359	(339,335)	6,184,694	5,845,359	339,335
HEALTH							
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	16,830,070	16,689,734	(140,336)	16,830,070	16,689,734	140,336
14.401	Fair Housing Assistance Program - State and Local		(801)	(801)		(801)	801
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	25,000	(16,510)	(41,510)	25,000	(16,510)	41,510
16.598	State Identification Systems Grant Program	176,353	149,828	(26,525)	176,353	149,828	26,525
17.005	Compensation and Working Conditions	11,613	13,177	1,564	11,613	13,177	(1,564)
66.001	Air Pollution Control Program Support	623,461	631,332	7,871	623,461	631,332	(7,871)
66.032	State Indoor Radon Grants	87,136	76,710	(10,426)	87,136	76,710	10,426
66.432	State Public Water System Supervision	440,255	306,713	(133,542)	440,255	306,713	133,542
66.600	Environmental Protection Consolidated Grants - Program Support	97,807	94,407	(3,400)	97,807	94,407	3,400
66.606	Surveys, Studies, Investigations and Special Purpose Grants	134,580	86,487	(48,093)	134,580	86,487	48,093
66.707	TSCA Title IV State Lead Grants -Certification of Lead-Based Paint Professionals	336,701	370,950	34,249	336,701	370,950	(34,249)
84.181	Special Education - Grants for Infants and Families With Disabilities	1,991,882	2,082,436	90,554	1,991,882	2,082,436	(90,554)
93.006	State and Territorial and Technical Assistance Capacity Development Minority HIV/AIDS Demonstration Program	149,507	158,260	8,753	149,507	158,260	(8,753)
93.103	Food and Drug Administration - Research	5,000	1,075	(3,925)	5,000	1,075	3,925
93.110	Maternal and Child Health Federal Consolidated Programs	254,206	137,547	(116,659)	254,206	137,547	116,659
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control Programs	478,967	422,349	(56,618)	478,967	422,349	56,618
93.118	Acquired Immunodeficiency Syndrome (AIDS) Activity	425,614	283,290	(142,324)	425,614	283,290	142,324
93.127	Emergency Medical Services for Children	123,000	103,658	(19,342)	123,000	103,658	19,342
93.130	Primary Care Services-Resource Coordination and Development Primary Care Offices	226,587	220,124	(6,463)	226,587	220,124	6,463
93.136	Injury Prevention and Control Research and State and Community Based Programs	346,684	293,279	(53,405)	346,684	293,279	53,405
93.161	Health Program for Toxic Substances and Disease Registry	26,250	24,521	(1,729)	26,250	24,521	1,729
93.165	Grants for State Loan Repayment	110,000	129,384	19,384	110,000	129,384	(19,384)
93.184	Disabilities Prevention	428,053	327,918	(100,135)	428,053	327,918	100,135

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL (Continued)

For the Fiscal Year Ended June 30, 2001

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
93.197	Childhood Lead Poisoning Prevention Projects - State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	837,468	824,716	(12,752)	837,468	824,716	12,752
93.217	Family Planning - Services	533,973	682,228	148,255	533,973	682,228	(148,255)
93.235	Abstinence Education	129,592	87,528	(42,064)	129,592	87,528	42,064
93.245	Innovative Food Safety Projects	27,989	35,122	7,133	27,989	35,122	(7,133)
93.251	Universal Newborn Hearing Screening	100,000	8,691	(91,309)	100,000	8,691	91,309
93.268	Immunization Grants	834,028	1,091,290	257,262	834,028	1,091,290	(257,262)
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	3,230,476	3,024,326	(206,150)	3,230,476	3,024,326	206,150
93.394	Cancer Detection and Diagnosis Research	39,183	1,136	(38,047)	39,183	1,136	38,047
93.399	Cancer Control		587	587		587	(587)
93.563	Child Support Enforcement	120,348	126,409	6,061	120,348	126,409	(6,061)
93.575	Child Care and Development Block Grant	250,000	288,956	38,956	250,000	288,956	(38,956)
93.777	State Survey and Certification of Health Care Providers and Suppliers	1,826,135	2,147,620	321,485	1,826,135	2,147,620	(321,485)
93.778	Medical Assistance Program	3,496,025	3,816,713	320,688	3,496,025	3,816,713	(320,688)
93.913	Grants to States for Operation of Offices of Rural Health	71,465	59,975	(11,490)	71,465	59,975	11,490
93.917	HIV Care Formula Grants	2,567,350	2,491,967	(75,383)	2,567,350	2,491,967	75,383
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	1,347,307	1,332,481	(14,826)	1,347,307	1,332,481	14,826
93.940	HIV Prevention Activities - Health Department Based	1,545,909	1,398,931	(146,978)	1,545,909	1,398,931	146,978
93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	329,131	357,982	28,851	329,131	357,982	(28,851)
93.988	Cooperative Agreements for State-Based Diabetes Control Programs and Evaluation of Surveillance Systems	705,206	744,833	39,627	705,206	744,833	(39,627)
93.991	Preventive Health and Health Services Block Grant	1,045,541	664,653	(380,888)	1,045,541	664,653	380,888
93.994	Maternal and Child Health Services Block Grant to the States	2,263,948	1,364,768	(899,180)	2,263,948	1,364,768	899,180
	Other Expenditures of Federal Awards	1,442,409	1,279,795	(162,614)	1,442,409	1,279,795	162,614
HUMAN SERVICES							
10.551	Food Stamps	57,731,592	58,614,416	882,824	57,731,592	58,614,416	(882,824)
10.558	Child and Adult Care Food Program	742,132	712	(741,420)	742,132	712	741,420
10.561	State Administrative Matching Grants for Food Stamp Program	6,447,382	5,707,466	(739,916)	6,447,382	5,707,466	739,916
10.568	Emergency Food Assistance Program (Administrative Costs)	165,000	136,915	(28,085)	165,000	136,915	28,085
64.005	Grants to States for Construction of State Home Facilities	581,815		(581,815)	581,815		581,815
64.008	Veterans Domiciliary Care	4,543,808	4,525,079	(18,729)	4,543,808	4,525,079	18,729
64.203	State Cemetery Grants	978,360	275,705	(702,655)	978,360	275,705	702,655
84.126	Rehabilitation Services -Vocational Rehabilitation Grants to States	8,311,886	7,428,610	(883,276)	8,311,886	7,428,610	883,276
84.129	Rehabilitation Long-Term Training	19,795	19,468	(327)	19,795	19,468	327
84.169	Independent Living - State Grants	298,258	298,128	(130)	298,258	298,128	130
84.177	Rehabilitation Services - Independent Living Services for Older Individuals Who Are Blind	439,878	364,109	(75,769)	439,878	364,109	75,769
84.187	Supported Employment Services for Individuals with Severe Disabilities	308,537	144,223	(164,314)	308,537	144,223	164,314
84.224	Assistive Technology	547,341	419,003	(128,338)	547,341	419,003	128,338
93.234	Traumatic Brain Injury - State Demonstration Grant Program	48,125	7,484	(40,641)	48,125	7,484	40,641
93.558	Temporary Assistance for Needy Families	92,901,640	91,782,268	(1,119,372)	92,901,640	91,782,268	1,119,372

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
93.566	Refugee and Entrant Assistance - State Administered Programs	512,862	417,616	(95,246)	512,862	417,616	95,246
93.569	Community Services Block Grant	3,317,004	3,118,999	(198,005)	3,317,004	3,118,999	198,005
93.575	Child Care and Development Block Grant	4,276,796	2,892,753	(1,384,043)	4,276,796	2,892,753	1,384,043
93.585	Empowerment Zones Program	600,000	251,080	(348,920)	600,000	251,080	348,920
93.596	Child Care Mandatory and Matching Funds of the Child Care and Development Fund	11,063,273	11,063,273		11,063,273	11,063,273	
93.600	Head Start	178,000	105,239	(72,761)	178,000	105,239	72,761
93.667	Social Services Block Grant	9,607,843	9,491,947	(115,896)	9,607,843	9,491,947	115,896
93.671	Family Violence Prevention and Services - Grants for Battered Women's Shelters - Grants to States and Indian Tribes	535,000	693,927	158,927	535,000	693,927	(158,927)
93.767	State Children's Insurance Program	5,471,631	15,058,000	9,586,369	5,471,631	15,058,000	(9,586,369)
93.778	Medical Assistance Program	481,065,643	466,283,544	(14,782,099)	481,065,643	466,283,544	14,782,099
96.001	Social Security - Disability Insurance	6,811,992	5,895,744	(916,248)	6,811,992	5,895,744	916,248
	Other Expenditures of Federal Awards	86,527	4,256	(82,271)	86,527	4,256	82,271
CORRECTIONS							
16.575	Crime Victim Assistance	170,011	141,787	(28,224)	170,011	141,787	28,224
16.579	Byrne Formula Grant Program	630,289	276,398	(353,891)	630,289	276,398	353,891
16.585	Drug Court Discretionary Grant Program	1,623,994	299,670	(1,324,324)	1,623,994	299,670	1,324,324
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders	219,584	176,583	(43,001)	219,584	176,583	43,001
16.606	State Criminal Alien Assistance Program	1,649,030	1,646,427	(2,603)	1,649,030	1,646,427	2,603
84.013	Title I Program for Neglected and Delinquent Children	257,031	125,642	(131,389)	257,031	125,642	131,389
84.027	Special Education - Grants to States	58,303	80,476	22,173	58,303	80,476	(22,173)
84.048	Vocational Education - Basic Grants to States	3,900	27,900	24,000	3,900	27,900	(24,000)
84.331	Grants to States for Incarcerated Youth Offenders	64,695	14,664	(50,031)	64,695	14,664	50,031
93.118	Acquired Immunodeficiency Syndrome (AIDS) Activity	175,820	130,387	(45,433)	175,820	130,387	45,433
93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	30,994	15,986	(15,008)	30,994	15,986	15,008
ELEMENTARY AND SECONDARY EDUCATION							
10.553	School Breakfast Program	4,564,030	3,264,506	(1,299,524)	4,564,030	3,264,506	1,299,524
10.555	National School Lunch Program	18,556,880	15,794,767	(2,762,113)	18,556,880	15,794,767	2,762,113
10.556	Special Milk Program for Children	125,608	98,402	(27,206)	125,608	98,402	27,206
10.558	Child and Adult Care Food Program	6,387,593	4,882,810	(1,504,783)	6,387,593	4,882,810	1,504,783
10.559	Summer Food Service Program for Children	1,190,884	1,197,782	6,898	1,190,884	1,197,782	(6,898)
10.560	State Administrative Expenses for Child Nutrition	574,492	481,662	(92,830)	574,492	481,662	92,830
10.564	Nutrition Education and Training Program	30,000	(1,637)	(31,637)	30,000	(1,637)	31,637
10.574	Team Nutrition Grants	269,749	203,206	(66,543)	269,749	203,206	66,543
84.002	Adult Education - State Grant Program	1,959,906	1,938,181	(21,725)	1,959,906	1,938,181	21,725
84.010	Title I Grants to Local Educational Agencies	25,500,485	23,186,897	(2,313,588)	25,500,485	23,186,897	2,313,588
84.011	Migrant Education - Basic State Grant Program	109,582	73,026	(36,556)	109,582	73,026	36,556
84.013	Title I Program for Neglected and Delinquent Children	4,000	5,278	1,278	4,000	5,278	(1,278)
84.027	Special Education - Grants to States	20,981,733	18,443,734	(2,537,999)	20,981,733	18,443,734	2,537,999
84.048	Vocational Education - Basic Grants to States	6,336,023	5,603,232	(732,791)	6,336,023	5,603,232	732,791
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	421,342	420,967	(375)	421,342	420,967	375
84.158	Secondary Education and Transitional Services for Youth with Disabilities	735,649	618,251	(117,398)	735,649	618,251	117,398
84.162	Immigrant Education	1,337,465	836,849	(500,616)	1,337,465	836,849	500,616

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL (Continued)

For the Fiscal Year Ended June 30, 2001

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
84.173	Special Education - Preschool Grants	1,845,842	1,785,752	(60,090)	1,845,842	1,785,752	60,090
84.181	Special Education - Grants for Infants and Families with Disabilities	61,884	65,275	3,391	61,884	65,275	(3,391)
84.185	Byrd Honors Scholarships	151,000	145,500	(5,500)	151,000	145,500	5,500
84.186	Safe and Drug-Free Schools and Communities - State Grants	1,865,863	1,766,353	(99,510)	1,865,863	1,766,353	99,510
84.194	Bilingual Education Support Services	107,670	98,066	(9,604)	107,670	98,066	9,604
84.196	Education for Homeless Children and Youth	170,922	89,793	(81,129)	170,922	89,793	81,129
84.213	Even Start - State Educational Agencies	574,664	661,512	86,848	574,664	661,512	(86,848)
84.215	Fund for the Improvement of Education	372,563	173,233	(199,330)	372,563	173,233	199,330
84.216	Capital Expenses	520,000	43,297	(476,703)	520,000	43,297	476,703
84.243	Tech-Prep Education	672,798	416,502	(256,296)	672,798	416,502	256,296
84.276	Goals 2000 - State and Local Education Systemic Improvement Grants	2,260,109	1,596,245	(663,864)	2,260,109	1,596,245	663,864
84.281	Eisenhower Professional Development State Grants	1,453,660	1,325,137	(128,523)	1,453,660	1,325,137	128,523
84.282	Charter Schools	1,400,277	509,732	(890,545)	1,400,277	509,732	890,545
84.298	Innovative Education Program Strategies	1,972,630	1,692,689	(279,941)	1,972,630	1,692,689	279,941
84.318	Technology Literacy Challenge Fund Grants	2,751,232	2,078,784	(672,448)	2,751,232	2,078,784	672,448
84.330	Advanced Placement Incentive Program	10,000	3,712	(6,288)	10,000	3,712	6,288
84.332	Comprehensive School Reform Demonstration (A)	980,932	429,519	(551,413)	980,932	429,519	551,413
84.336	Teacher Quality Enhancement Grants	1,327,815	863,850	(463,965)	1,327,815	863,850	463,965
84.338	Reading Excellence	2,000,000	668,106	(1,331,894)	2,000,000	668,106	1,331,894
84.340	Class Size Reduction	7,241,706	7,669,969	428,263	7,241,706	7,669,969	(428,263)
84.348	Title I Accountability Grants	350,000		(350,000)	350,000		350,000
93.239	Policy Research and Evaluation Grants	15,207	14,961	(246)	15,207	14,961	246
93.251	Universal Newborn Hearing Screening	90,000	82,557	(7,443)	90,000	82,557	7,443
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	14,157	88	(14,069)	14,157	88	14,069
93.558	Temporary Assistance for Needy Families	963,250	759,660	(203,590)	963,250	759,660	203,590
93.575	Child Care and Development Block Grant	132,645	111,572	(21,073)	132,645	111,572	21,073
93.778	Medical Assistance Program	288,884	592,469	303,585	288,884	592,469	(303,585)
93.938	Cooperative Agreements to Support Comprehensive School Health Programs to Prevent the Spread of HIV and Other Important Health Problems	762,209	619,782	(142,427)	762,209	619,782	142,427
93.994	Maternal and Child Health Services Block Grant to the States	95,000	95,000		95,000	95,000	
94.004	Learn and Serve America - School and Community Based Programs	67,623	14,826	(52,797)	67,623	14,826	52,797
	Other Expenditures of Federal Awards	119,061	89,864	(29,197)	119,061	89,864	29,197
LABOR AND TRAINING							
17.002	Labor Force Statistics	483,873	593,196	109,323	483,873	593,196	(109,323)
17.207	Employment Service	3,737,686	2,470,331	(1,267,355)	3,737,686	2,470,331	1,267,355
17.225	Unemployment Insurance	14,450,033	13,085,897	(1,364,136)	14,450,033	13,085,897	1,364,136
17.245	Trade Adjustment Assistance - Workers	7,904,172	8,114,055	209,883	7,904,172	8,114,055	(209,883)
17.246	Employment and Training Assistance - Dislocated Workers	837,741	448,298	(389,443)	837,741	448,298	389,443
17.250	Job Training Partnership Act	621,326	19,728	(601,598)	621,326	19,728	601,598
17.253	Welfare-to-Work Grants to States and Localities	5,043,358	2,089,008	(2,954,350)	5,043,358	2,089,008	2,954,350
17.255	Workforce Investment Act	9,089,700	5,923,721	(3,165,979)	9,089,700	5,923,721	3,165,979
17.801	Disabled Veterans' Outreach Program	382,227	317,684	(64,543)	382,227	317,684	64,543
17.804	Local Veterans' Employment Representative Program	346,801	324,336	(22,465)	346,801	324,336	22,465
84.346	Occupational and Employment Information State Grants	110,572	90,941	(19,631)	110,572	90,941	19,631
93.558	Temporary Assistance for Needy Families Other Expenditures of Federal Awards	1,910,925	1,805,042	(105,883)	1,910,925	1,805,042	105,883
		3,442,135	1,562,552	(1,879,583)	3,442,135	1,562,552	1,879,583

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
ENVIRONMENTAL MANAGEMENT							
10.156	Federal - State Marketing Improvement Program		(49)	(49)		(49)	49
10.162	Inspection Grading and Standardization	68,088	36,299	(31,789)	68,088	36,299	31,789
10.664	Cooperative Forestry Assistance	3,179,011	827,521	(2,351,490)	3,179,011	827,521	2,351,490
11.307	Economic Adjustment Assistance	480,335	51	(480,284)	480,335	51	480,284
11.407	Interjurisdictional Fisheries Act of 1986	130,794	68,681	(62,113)	130,794	68,681	62,113
11.420	Coastal Zone Management Estuarine Research Reserves	832,247	258,830	(573,417)	832,247	258,830	573,417
11.452	Unallied Industry Projects	67,433		(67,433)	67,433		67,433
11.454	Unallied Management Projects	145,379	34,402	(110,977)	145,379	34,402	110,977
11.473	Coastal Services Center	38,370	1,465	(36,905)	38,370	1,465	36,905
11.474	Atlantic Coastal Fisheries Cooperative Management Act (B)	263,108	127,134	(135,974)	263,108	127,134	135,974
12.113	State Memorandum of Agreement Program for the Reimbursement of Technical Services	150,880	134,819	(16,061)	150,880	134,819	16,061
15.605	Sport Fish Restoration	5,317,364	2,851,551	(2,465,813)	5,317,364	2,851,551	2,465,813
15.611	Wildlife Restoration	1,055,639	748,185	(307,454)	1,055,639	748,185	307,454
15.614	Coastal Wetlands Planning, Protection and Restoration Act	722,261	423,880	(298,381)	722,261	423,880	298,381
15.616	Clean Vessel Act	200,200	43,267	(156,933)	200,200	43,267	156,933
15.916	Outdoor Recreation - Acquisition, Development and Planning	450,000	184,080	(265,920)	450,000	184,080	265,920
20.005	Boating Safety Financial Assistance	448,292	453,006	4,714	448,292	453,006	(4,714)
20.205	Highway Planning and Construction	100,000	(113,991)	(213,991)	100,000	(113,991)	213,991
66.001	Air Pollution Control Program Support	897,521	826,804	(70,717)	897,521	826,804	70,717
66.419	Water Pollution Control - State and Interstate Program Support	1,453,620	724,799	(728,821)	1,453,620	724,799	728,821
66.433	State Underground Water Source Protection	44,271	118,869	74,598	44,271	118,869	(74,598)
66.456	National Estuary Program	468,128	184,844	(283,284)	468,128	184,844	283,284
66.460	Nonpoint Source Implementation Grants	1,660,319	1,074,151	(586,168)	1,660,319	1,074,151	586,168
66.461	Wetlands Grants		35,603	35,603		35,603	(35,603)
66.463	Water Quality Cooperative Agreements	369,277	461,099	91,822	369,277	461,099	(91,822)
66.467	Wastewater Operator Training Grant Program (Technical Assistance)	35,000	4,798	(30,202)	35,000	4,798	30,202
66.606	Surveys, Studies, Investigations and Special Purpose Grants	487,763	361,920	(125,843)	487,763	361,920	125,843
66.608	One Stop Reporting	250,000		(250,000)	250,000		250,000
66.651	Innovative Community Partnership	10,000	28,028	18,028	10,000	28,028	(18,028)
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	345,120	313,598	(31,522)	345,120	313,598	31,522
66.801	Hazardous Waste Management State Program Support	812,017	223,455	(588,562)	812,017	223,455	588,562
66.802	Superfund State Site-Specific Cooperative Agreements	1,291,017	582,072	(708,945)	1,291,017	582,072	708,945
66.804	State and Tribal Underground Storage Tanks Program		79	79		79	(79)
66.805	Leaking Underground Storage Tank Trust Fund Program	511,753	502,905	(8,848)	511,753	502,905	8,848
66.808	Solid Waste Management Assistance	16,508	4,043	(12,465)	16,508	4,043	12,465
66.810	CEPP Technical Assistance Grants Program (B)	67,375	15	(67,360)	67,375	15	67,360
83.550	National Dam Safety Program	46,000		(46,000)	46,000		46,000
93.283	Centers for Disease Control and Prevention - Investigations and Technical Assistance	37,094	62,049	24,955	37,094	62,049	(24,955)
	Other Expenditures of Federal Awards	51,456		(51,456)	51,456		51,456
OFFICE OF THE GOVERNOR							
93.600	Head Start		(44)	(44)		(44)	44

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL (Continued)

For the Fiscal Year Ended June 30, 2001

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
RHODE ISLAND JUSTICE COMMISSION							
16.523	Juvenile Accountability Incentive Block Grants	257,975	451,645	193,670	257,975	451,645	(193,670)
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	933,622	785,618	(148,004)	933,622	785,618	148,004
16.544	Gang-Free Schools and Communities - Community-Based Gang Intervention	76,000	50,256	(25,744)	76,000	50,256	25,744
16.550	State Justice Statistics Program for Statistical Analysis Centers	120,711	90,328	(30,383)	120,711	90,328	30,383
16.575	Crime Victim Assistance	1,091,199	1,013,353	(77,846)	1,091,199	1,013,353	77,846
16.579	Byrne Formula Grant Program	1,194,668	1,232,854	38,186	1,194,668	1,232,854	(38,186)
16.588	Violence Against Women Formula Grants	1,151,516	1,178,874	27,358	1,151,516	1,178,874	(27,358)
GOVERNOR'S COMMISSION ON DISABILITIES							
84.133	National Institute on Disability and Rehabilitation Research	27,626	27,690	64	27,626	27,690	(64)
DEVELOPMENTAL DISABILITIES COUNCIL							
93.630	Developmental Disabilities Basic Support and Advocacy Grants	455,589	408,971	(46,618)	455,589	408,971	46,618
RHODE ISLAND COUNCIL ON THE ARTS							
45.025	Promotion of The Arts - Partnership Agreements	520,662	455,048	(65,614)	520,662	455,048	65,614
45.026	Promotion of the Arts - Leadership Initiatives	21,000	20,021	(979)	21,000	20,021	979
84.243	Tech-Prep Education		(54)	(54)		(54)	54
HISTORICAL PRESERVATION AND HERITAGE COMMISSION							
15.904	Historic Preservation Fund Grants-In-Aid	536,671	540,721	4,050	536,671	540,721	(4,050)
15.925	National Maritime Heritage Grants	2,234	13,234	11,000	2,234	13,234	(11,000)
STATE POLICE							
16.001	Law Enforcement Assistance - Narcotics and Dangerous Drugs - Laboratory Analysis	28,165	25,000	(3,165)	28,165	25,000	3,165
16.579	Byrne Formula Grant Program	578,075	539,844	(38,231)	578,075	539,844	38,231
16.710	Public Safety Partnership and Community Policing Grants	302,526	52,379	(250,147)	302,526	52,379	250,147
20.217	Motor Carrier Safety	713,347	578,893	(134,454)	713,347	578,893	134,454
MUNICIPAL POLICE TRAINING ACADEMY							
16.555	National Sex Offender Registry Assistance	5,837	427	(5,410)	5,837	427	5,410
16.579	Byrne Formula Grant Program	72,072	41,023	(31,049)	72,072	41,023	31,049
16.592	Local Law Enforcement Block Grants Program	12,010	8,803	(3,207)	12,010	8,803	3,207
FIRE SAFETY AND TRAINING ACADEMY							
16.579	Byrne Formula Grant Program	24,773	25,736	963	24,773	25,736	(963)
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	38,992	63,149	24,157	38,992	63,149	(24,157)
83.527	Emergency Management Institute - Training Assistance	21,869		(21,869)	21,869		21,869
83.547	First Responder Counter-Terrorism Training Assistance	64,692	56,650	(8,042)	64,692	56,650	8,042
93.777	State Survey and Certification of Health Care Providers and Suppliers	30,187	(10,708)	(40,895)	30,187	(10,708)	40,895
MILITARY STAFF							
17.253	Welfare-to-Work Grants to States and Localities	668,027	591,130	(76,897)	668,027	591,130	76,897
83.011	Hazardous Materials Training Program for Implementation of the Superfund Amendment and Reauthorization Act (SARA) of 1986	35,011	3,969	(31,042)	35,011	3,969	31,042
83.105	Community Assistance Program - State Support Services Element (CAP-SSSE)	63,712	90,867	27,155	63,712	90,867	(27,155)
83.551	Project Impact - Building Disaster Resistant Communities	30,000	(1,925)	(31,925)	30,000	(1,925)	31,925
83.552	Emergency Management Performance Grants	1,583,740	1,184,090	(399,650)	1,583,740	1,184,090	399,650
	Other Expenditures of Federal Awards	5,465,726	4,311,768	(1,153,958)	5,465,726	4,311,768	1,153,958

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
SECRETARY OF STATE							
89.003	National Historical Publications and Records Grants	28,275	31,262	2,987	28,275	31,262	(2,987)
ATTORNEY GENERAL							
16.523	Juvenile Accountability Incentive Block Grants	50,572	28,543	(22,029)	50,572	28,543	22,029
16.548	Title V - Delinquency Prevention Program	18,350	16,944	(1,406)	18,350	16,944	1,406
16.554	National Criminal History Improvement Program	226,827	87,760	(139,067)	226,827	87,760	139,067
16.575	Crime Victim Assistance	43,958	23,503	(20,455)	43,958	23,503	20,455
16.579	Byrne Formula Grant Program		3,085	3,085		3,085	(3,085)
16.588	Violence Against Women Formula Grants	294,625	192,065	(102,560)	294,625	192,065	102,560
66.707	TSCA Title IV State Lead Grants -Certification of Lead-Based Paint Professionals	44		(44)	44		44
93.560	Family Support Payments to States - Assistance Payments	70,965	12,455	(58,510)	70,965	12,455	58,510
93.775	State Medicaid Fraud Control Units Other Expenditures of Federal Awards	617,959	591,395	(26,564)	617,959	591,395	26,564
		52,045	43,784	(8,261)	52,045	43,784	8,261
TREASURY							
16.576	Crime Victim Compensation	1,378,730	1,227,591	(151,139)	1,378,730	1,227,591	151,139
17.225	Unemployment Insurance	250,723	237,980	(12,743)	250,723	237,980	12,743
ADMINISTRATION							
10.433	Rural Housing Preservation Grants	40,276	69,478	29,202	40,276	69,478	(29,202)
11.300	Grants for Public Works and Economic Development (B)	700,000	66,176	(633,824)	700,000	66,176	633,824
11.302	Economic Development - Support for Planning Organizations	91,358	124,440	33,082	91,358	124,440	(33,082)
14.228	Community Development Block Grants/State's Program	5,797,620	6,519,273	721,653	5,797,620	6,519,273	(721,653)
14.231	Emergency Shelter Grants Program	307,000	348,742	41,742	307,000	348,742	(41,742)
14.235	Supportive Housing Program	20,000		(20,000)	20,000		20,000
16.579	Byrne Formula Grant Program	48,152	50,005	1,853	48,152	50,005	(1,853)
17.002	Labor Force Statistics	116,039	88,416	(27,623)	116,039	88,416	27,623
17.207	Employment Service	142,341	142,217	(124)	142,341	142,217	124
17.225	Unemployment Insurance	2,138,860	2,106,695	(32,165)	2,138,860	2,106,695	32,165
17.255	Workforce Investment Act	195,412	260,613	65,201	195,412	260,613	(65,201)
17.804	Local Veterans' Employment Representative Program	32,139	16,293	(15,846)	32,139	16,293	15,846
20.205	Highway Planning and Construction	1,100,000	559,666	(540,334)	1,100,000	559,666	540,334
20.217	Motor Carrier Safety	15,241	15,921	680	15,241	15,921	(680)
20.218	National Motor Carrier Safety	337,068	452,374	115,306	337,068	452,374	(115,306)
20.505	Federal Transit - Metropolitan Planning Grants	263,817	163,031	(100,786)	263,817	163,031	100,786
45.310	State Library Program	865,870	720,222	(145,648)	865,870	720,222	145,648
81.041	State Energy Program	862,346	575,838	(286,508)	862,346	575,838	286,508
81.042	Weatherization Assistance for Low-Income Persons	1,068,248	653,186	(415,062)	1,068,248	653,186	415,062
81.079	Regional Biomass Energy Programs	19,615		(19,615)	19,615		19,615
81.086	Conservation Research and Development		702	702		702	(702)
93.563	Child Support Enforcement	7,476,465	6,443,417	(1,033,048)	7,476,465	6,443,417	1,033,048
93.568	Low-Income Home Energy Assistance	11,898,634	17,458,965	5,560,331	11,898,634	17,458,965	(5,560,331)
93.600	Head Start	71,843		(71,843)	71,843		71,843
93.775	State Medicaid Fraud Control Units Other Expenditures of Federal Awards	20,493	20,493		20,493	20,493	
		453,625	411,555	(42,070)	453,625	411,555	42,070

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL FUND FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL (Continued)

For the Fiscal Year Ended June 30, 2001

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
JUDICIAL							
16.523	Juvenile Accountability Incentive Block Grants	74,227	63,951	(10,276)	74,227	63,951	10,276
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	34,160	4,048	(30,112)	34,160	4,048	30,112
16.547	Victims of Child Abuse	50,779	55,001	4,222	50,779	55,001	(4,222)
16.554	National Criminal History Improvement Program		6,000	6,000		6,000	(6,000)
16.579	Byrne Formula Grant Program	250,094	250,094		250,094	250,094	
16.580	Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	189,000	15,634	(173,366)	189,000	15,634	173,366
16.585	Drug Court Discretionary Grant Program	445,109	379,907	(65,202)	445,109	379,907	65,202
16.588	Violence Against Women Formula Grants	202,969	63,609	(139,360)	202,969	63,609	139,360
16.611	Closed-Circuit Televising of Child Victims of Abuse	555,797	93,577	(462,220)	555,797	93,577	462,220
20.600	State and Community Highway Safety	120,000	24,562	(95,438)	120,000	24,562	95,438
93.563	Child Support Enforcement	1,064,910	815,528	(249,382)	1,064,910	815,528	249,382
93.586	State Court Improvement Program	51,449	51,513	64	51,449	51,513	(64)
93.597	Grants to States for Access and Visitation Programs	110,739	108,297	(2,442)	110,739	108,297	2,442
93.652	Adoption Opportunities	188,522	184,606	(3,916)	188,522	184,606	3,916
93.778	Medical Assistance Program	5,000		(5,000)	5,000		5,000
RHODE ISLAND ATOMIC ENERGY COMMISSION							
81.049	Office of Science Financial Assistance Program	763,000	59,992	(703,008)	763,000	59,992	703,008
OFFICE OF THE PUBLIC DEFENDER							
16.523	Juvenile Accountability Incentive Block Grants	131,661	82,598	(49,063)	131,661	82,598	49,063
16.579	Byrne Formula Grant Program	147,956	66,118	(81,838)	147,956	66,118	81,838
93.586	State Court Improvement Program	70,550	60,577	(9,973)	70,550	60,577	9,973
COMMISSION FOR HUMAN RIGHTS							
14.401	Fair Housing Assistance Program - State and Local	126,448	124,850	(1,598)	126,448	124,850	1,598
30.002	Employment Discrimination - State and Local Fair Employment Practices Agency Contracts	187,191	187,856	665	187,191	187,856	(665)
PUBLIC UTILITIES COMMISSION							
20.700	Pipeline Safety	61,549	54,845	(6,704)	61,549	54,845	6,704
COASTAL RESOURCES MANAGEMENT COUNCIL							
11.419	Coastal Zone Management Administration Awards	1,015,426	1,014,028	(1,398)	1,015,426	1,014,028	1,398
11.473	Coastal Services Center	135,000	56,670	(78,330)	135,000	56,670	78,330
OFFICE OF THE CHILD ADVOCATE							
16.575	Crime Victim Assistance	23,332	27,392	4,060	23,332	27,392	(4,060)
84.027	Special Education - Grants to States	235,396	231,874	(3,522)	235,396	231,874	3,522
84.173	Special Education - Preschool Grants	40,188	39,350	(838)	40,188	39,350	838
93.778	Medical Assistance Program	52,134	61,682	9,548	52,134	61,682	(9,548)
ELDERLY AFFAIRS							
10.570	Nutrition Program for the Elderly (Commodities)	706,871	512,694	(194,177)	706,871	512,694	194,177
17.235	Senior Community Service Employment Program	468,185	546,535	78,350	468,185	546,535	(78,350)
93.041	Special Programs for the Aging - Title VII, Chapter 3 - Programs for Prevention of Elder Abuse, Neglect, and Exploitation	23,963	15,986	(7,977)	23,963	15,986	7,977
93.042	Special Programs for the Aging-Title VII, Chapter 2-Long Term Care Ombudsman Services for Older Individuals	42,237	42,237		42,237	42,237	
93.043	Special Programs for the Aging_Title III, Part F - Disease Prevention and Health Promotion Services	80,398	96,152	15,754	80,398	96,152	(15,754)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

CFDA Number	Department/Program	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
93.044	Special Programs for the Aging-Title III, Part B-Grants for Supportive Services and Senior Centers	2,437,299	2,267,750	(169,549)	2,437,299	2,267,750	169,549
93.045	Special Programs for the Aging-Title III, Part C - Nutrition Services	1,947,804	2,097,029	149,225	1,947,804	2,097,029	(149,225)
93.048	Special Programs for the Aging - Title IV - Training, Research and Discretionary Projects and Programs	85,238	43,961	(41,277)	85,238	43,961	41,277
93.051	New Demonstration Grants to States with Respect to Alzheimer's Disease	231,088	241,343	10,255	231,088	241,343	(10,255)
93.052	Nation Family Caregiver Support Program		11,307	11,307		11,307	(11,307)
93.568	Low-Income Home Energy Assistance	94,118	63,203	(30,915)	94,118	63,203	30,915
93.667	Social Services Block Grant	255,152	255,152		255,152	255,152	
93.778	Medical Assistance Program	1,938,633	1,992,639	54,006	1,938,633	1,992,639	(54,006)
93.779	Health Care Financing Research, Demonstrations and Evaluations	197,992	85,035	(112,957)	197,992	85,035	112,957
94.016	Senior Companion Program	279,344	349,223	69,879	279,344	349,223	(69,879)
CHILDREN, YOUTH AND FAMILIES							
16.523	Juvenile Accountability Incentive Block Grants	805,684	741,458	(64,226)	805,684	741,458	64,226
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	30,030	24,092	(5,938)	30,030	24,092	5,938
16.541	Juvenile Justice and Delinquency Prevention - Special Emphasis	180,000	97,357	(82,643)	180,000	97,357	82,643
16.579	Byrne Formula Grant Program		2,581	2,581		2,581	(2,581)
84.004	Civil Rights Training and Advisory Services	1,956	(794)	(2,750)	1,956	(794)	2,750
84.013	Title I Program for Neglected and Delinquent Children	203,572	160,107	(43,465)	203,572	160,107	43,465
84.027	Special Education - Grants to States	159,512	139,287	(20,225)	159,512	139,287	20,225
84.243	Tech-Prep Education	25,000	22,499	(2,501)	25,000	22,499	2,501
84.281	Eisenhower Professional Development State Grants	1,115	167	(948)	1,115	167	948
84.298	Innovative Education Program Strategies	1,625	1,626	1	1,625	1,626	(1)
93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	1,169,821	1,420,187	250,366	1,169,821	1,420,187	(250,366)
93.556	Promoting Safe and Stable Families	848,897	1,048,368	199,471	848,897	1,048,368	(199,471)
93.558	Temporary Assistance for Needy Families	6,553,528	8,067,197	1,513,669	6,553,528	8,067,197	(1,513,669)
93.575	Child Care and Development Block Grant	275,524	322,110	46,586	275,524	322,110	(46,586)
93.603	Adoption Incentive Payments	141,459		(141,459)	141,459		141,459
93.643	Children's Justice Grants to States	81,550	72,252	(9,298)	81,550	72,252	9,298
93.645	Child Welfare Services - State Grants	996,103	833,705	(162,398)	996,103	833,705	162,398
93.658	Foster Care - Title IV-E	15,132,154	13,893,781	(1,238,373)	15,132,154	13,893,781	1,238,373
93.659	Adoption Assistance	5,251,277	4,732,975	(518,302)	5,251,277	4,732,975	518,302
93.669	Child Abuse and Neglect State Grants	111,179	109,740	(1,439)	111,179	109,740	1,439
93.674	Independent Living	316,160	409,783	93,623	316,160	409,783	(93,623)
93.778	Medical Assistance Program	48,817,853	48,181,087	(636,766)	48,817,853	48,181,087	636,766
93.958	Block Grants for Community Mental Health Services	128,423		(128,423)	128,423		128,423
	Other Expenditures of Federal Awards	312,000	452,827	140,827	312,000	452,827	(140,827)
OFFICE OF HIGHER EDUCATION							
64.124	All-Volunteer Force Educational Assistance	76,133	8,502	(67,631)	76,133	8,502	67,631
84.281	Eisenhower Professional Development State Grants	259,395	172,710	(86,685)	259,395	172,710	86,685
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	1,922,037	1,510,336	(411,701)	1,922,037	1,510,336	411,701
84.336	Teacher Quality Enhancement Grants	50,000	12,612	(37,388)	50,000	12,612	37,388
TOTAL		\$ 1,288,036,350	\$ 1,213,490,953	\$ (74,545,397)	#####	\$ 1,213,490,953	\$ 74,545,397

Concluded

SPECIAL REVENUE FUNDS

Special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes and where a separate fund is mandated. The state uses the following special revenue funds.

R.I. Temporary Disability Insurance – accounts for the employee tax on wages that are levied to pay benefits to covered employees who are out of work for an extended period of time due to a non-job-related illness.

R.I. Underground Storage Tank Financial Responsibility – accounts for a designated portion of the gasoline tax to be used to facilitate the clean-up of leaking underground storage tanks or underground storage tanks systems, in order to protect the environment, including drinking water supplies and public health.

Intermodal Surface Transportation – accounts for the collection of the gasoline tax, federal grants, and bond proceeds that are used in maintenance, upgrading, and construction of the state's highway system.

Providence River Relocation Project – accounts for all revenues received and expenditures incurred related to the relocation of two rivers in the City of Providence and the extension of Memorial Boulevard.

Rhode Island Economic Policy Council – works with state officials to identify issues facing the state's economy, to advise the state legislature in policy matters relating to economic development, and to administer a grant program designed to foster private technology commercialization. It is a blended component unit.

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

SPECIAL REVENUE FUNDS

June 30, 2001

Assets	R. I. Temporary Disability Insurance	R. I. Underground Storage Tank Financial Responsibility	Intermodal Surface Transportation	Providence River Relocation Project	R. I. Economic Policy Council	Total
Cash and cash equivalents	\$ 59,420,662	\$ 583,864	\$ 40,758,337	\$ 3,137	\$ 1,843,397	\$ 102,609,397
Receivables (net)	38,761,153	1,083,575	11,334,044			51,178,772
Due from other funds	694,630		19,837,221			20,531,851
Due from component units			1,646,661			1,646,661
Due from other governments and agencies (net)			38,681,199	20,291		38,701,490
Other assets					27,637	27,637
Total assets	\$ 98,876,445	\$ 1,667,439	\$ 112,257,462	\$ 23,428	\$ 1,871,034	\$ 214,695,808
Liabilities and Fund Balances						
Liabilities:						
Vouchers and accounts payable	\$ 75,329	\$ 491,373	\$ 26,793,023	21,274	\$ 210,111	\$ 27,591,110
Due to other funds	2,113,289	469	45,963,966	576		48,078,300
Due to other governments and agencies (net)			830,386			830,386
Due to component units			2,162,171			2,162,171
Accrued liabilities	98,667	7,392	1,865,047		56,576	2,027,682
Deferred revenue			541,157			541,157
Total liabilities	2,287,285	499,234	78,155,750	21,850	266,687	81,230,806
Fund balances:						
Reserved for encumbrances			211,277,631	78,286	1,533,277	212,889,194
Reserved for long-term receivable			1,146,661			1,146,661
Reserved for employment insurance programs	96,589,160					96,589,160
Unreserved:						
Designated for subsequent year's expenditures:						
State gasoline tax and bond proceeds			31,436,317			31,436,317
Departmental restricted revenue			1,518,734			1,518,734
Undesignated		1,168,205	(211,277,631)	(76,708)	71,070	(210,115,064)
Total fund balances	96,589,160	1,168,205	34,101,712	1,578	1,604,347	133,465,002
Total liabilities and fund balances	\$ 98,876,445	\$ 1,667,439	\$ 112,257,462	\$ 23,428	\$ 1,871,034	\$ 214,695,808

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2001

	<u>R. I. Temporary Disability Insurance</u>	<u>R. I. Underground Storage Tank Financial Responsibility</u>	<u>Intermodal Surface Transportation</u>	<u>Providence River Relocation Project</u>	<u>R. I. Economic Policy Council</u>	<u>Total</u>
Revenues:						
Taxes	\$ 142,371,540	\$	\$ 128,115,439	\$	\$	\$ 270,486,979
Fees		4,560,784				4,560,784
Restricted revenue			5,675			5,675
Federal grants			194,552,636			194,552,636
Income from investments	3,656,651	63,894	1,144,932	687	62,998	4,929,162
Other revenues	207,832		3,878,560		205,320	4,291,712
Total revenues	<u>146,236,023</u>	<u>4,624,678</u>	<u>327,697,242</u>	<u>687</u>	<u>268,318</u>	<u>478,826,948</u>
Other financing sources:						
Operating transfers in			43,393,537	345,833	5,437,500	49,176,870
Operating transfers from component units			1,896,268			1,896,268
Total revenues and other financing sources	<u>146,236,023</u>	<u>4,624,678</u>	<u>372,987,047</u>	<u>346,520</u>	<u>5,705,818</u>	<u>529,900,086</u>
Expenditures:						
Current:						
General government	5,489,798				4,924,867	10,414,665
Human services	132,807,884					132,807,884
Natural resources		3,688,063				3,688,063
Transportation			53,044,996	344,942		53,389,938
Capital outlays	144,101		184,842,943			184,987,044
Intergovernmental		171,714	755,726			927,440
Total expenditures	<u>138,441,783</u>	<u>3,859,777</u>	<u>238,643,665</u>	<u>344,942</u>	<u>4,924,867</u>	<u>386,215,034</u>
Other financing uses:						
Operating transfers out	1,025,085		61,129,017	214		62,154,316
Operating transfers to component units		871,794	61,924,404			62,796,198
Total expenditures and other financing uses	<u>139,466,868</u>	<u>4,731,571</u>	<u>361,697,086</u>	<u>345,156</u>	<u>4,924,867</u>	<u>511,165,548</u>
Revenues and other financing sources over (under) expenditures and other financing uses	6,769,155	(106,893)	11,289,961	1,364	780,951	18,734,538
Fund balances, July 1, 2000, as restated	89,820,005	1,275,098	22,811,751	214	823,396	114,730,464
Fund balances, June 30, 2001	<u>\$ 96,589,160</u>	<u>\$ 1,168,205</u>	<u>\$ 34,101,712</u>	<u>\$ 1,578</u>	<u>\$ 1,604,347</u>	<u>\$ 133,465,002</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

BUDGETED SPECIAL REVENUE FUNDS

For the Fiscal Year Ended June 30, 2001

R.I. Temporary Disability Fund

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:			
Taxes	\$ 135,166,890	\$ 142,371,540	\$ 7,204,650
Restricted revenue			
Federal grants			
Other revenues		3,864,483	3,864,483
Total revenues	<u>135,166,890</u>	<u>146,236,023</u>	<u>11,069,133</u>
Other financing sources:			
Operating transfers in			
Total revenues and other financing sources	<u>135,166,890</u>	<u>146,236,023</u>	<u>11,069,133</u>
Expenditures:			
Current:			
General government	6,159,368	5,489,798	669,570
Human services	128,000,000	132,807,884	(4,807,884)
Transportation			
Capital outlays		144,101	(144,101)
Intergovernmental			
Total expenditures	<u>134,159,368</u>	<u>138,441,783</u>	<u>(4,282,415)</u>
Other financing uses:			
Operating transfers out	1,007,522	1,025,085	(17,563)
Operating transfers to component units			
Total expenditures and other financing uses	<u>135,166,890</u>	<u>139,466,868</u>	<u>(4,299,978)</u>
Revenues and other financing sources over (under) expenditures and other financing uses		6,769,155	6,769,155
Fund balances, July 1, 2000, as restated		89,820,005	89,820,005
Fund balances, June 30, 2001	<u>\$</u>	<u>\$ 96,589,160</u>	<u>\$ 96,589,160</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Intermodal Surface Transportation Fund			Total Budgeted Special Revenue Funds		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 131,600,000	\$ 128,115,439	\$ (3,484,561)	\$ 266,766,890	\$ 270,486,979	\$ 3,720,089
25,560,600	5,675	(25,554,925)	25,560,600	5,675	(25,554,925)
231,761,639	194,552,636	(37,209,003)	231,761,639	194,552,636	(37,209,003)
3,500,000	5,023,492	1,523,492	3,500,000	8,887,975	5,387,975
<u>392,422,239</u>	<u>327,697,242</u>	<u>(64,724,997)</u>	<u>527,589,129</u>	<u>473,933,265</u>	<u>(53,655,864)</u>
	45,289,805	45,289,805		45,289,805	45,289,805
<u>392,422,239</u>	<u>372,987,047</u>	<u>(19,435,192)</u>	<u>527,589,129</u>	<u>519,223,070</u>	<u>(8,366,059)</u>
			6,159,368	5,489,798	669,570
			128,000,000	132,807,884	(4,807,884)
88,641,880	53,044,996	35,596,884	88,641,880	53,044,996	35,596,884
180,510,027	184,842,943	(4,332,916)	180,510,027	184,987,044	(4,477,017)
	755,726	(755,726)		755,726	(755,726)
<u>269,151,907</u>	<u>238,643,665</u>	<u>30,508,242</u>	<u>403,311,275</u>	<u>377,085,448</u>	<u>26,225,827</u>
55,092,763	61,129,017	(6,036,254)	56,100,285	62,154,102	(6,053,817)
72,387,778	61,924,404	10,463,374	72,387,778	61,924,404	10,463,374
<u>396,632,448</u>	<u>361,697,086</u>	<u>34,935,362</u>	<u>531,799,338</u>	<u>501,163,954</u>	<u>30,635,384</u>
(4,210,209)	11,289,961	15,500,170	(4,210,209)	18,059,116	22,269,325
4,900,000	22,811,751	17,911,751	4,900,000	112,631,756	107,731,756
<u>\$ 689,791</u>	<u>\$ 34,101,712</u>	<u>\$ 33,411,921</u>	<u>\$ 689,791</u>	<u>\$ 130,690,872</u>	<u>\$ 130,001,081</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF FEDERAL REVENUES, EXPENDITURES, AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

INTERMODAL SURFACE TRANSPORTATION FUND

For the Fiscal Year Ended June 30, 2001

CFDA Number	FUND/PROGRAM	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
20.205	Highway Planning and Construction	\$ 180,510,027	\$ 159,408,755	\$ #####	\$ 180,510,027	\$ 159,408,755	\$ 21,101,272
20.308	Local Rail Freight Assistance	101,800	114,982	13,182	101,800	114,982	(13,182)
20.509	Formula Grants for Other Than Urbanized Areas	900,000	787,156	(112,844)	900,000	787,156	112,844
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities	450,000	5,398	(444,602)	450,000	5,398	444,602
	Federal Transit Cluster	45,950,000	32,860,343	#####	45,950,000	32,860,343	13,089,657
	State and Community Highway Safety Cluster	3,849,812	1,376,002	(2,473,810)	3,849,812	1,376,002	2,473,810
		<u>\$ 231,761,639</u>	<u>\$ 194,552,636</u>	<u>\$ (37,209,003)</u>	<u>\$ 231,761,639</u>	<u>\$ 194,552,636</u>	<u>\$ 37,209,003</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**STATEMENT OF RESTRICTED REVENUES, EXPENDITURES, AND OTHER FINANCING
SOURCES AND USES - BUDGET AND ACTUAL
INTERMODAL SURFACE TRANSPORTATION FUND**

For the Fiscal Year Ended June 30, 2001

ACCOUNT NUMBER	ACCOUNT TITLE	Revenues and Other Financing Sources			Expenditures and Other Financing Uses		
		Budget	Actual	Variance	Budget	Actual	Variance
5312-80300	Vehicle Salvage	\$ 50,000	\$ 55,256	\$ 5,256	\$ 50,000	\$ 55,256	\$ (5,256)
5312-81600	Freight Rail Improvement Project	25,000,000	15,577,279	(9,422,721)	25,000,000	15,577,279	9,422,721
5332-80300	Transit Vehicle Disposal / Match	10,600	10,579	(21)	10,600	10,579	21
5332-80400	Sakonnet River Railroad Bridge		184,943	184,943			
5496-00000	State Infrastructure Bank	500,000	1,333,791	833,791	500,000		500,000
		<u>\$ 25,560,600</u>	<u>17,161,848</u>	<u>\$ (8,398,752)</u>	<u>\$ 25,560,600</u>	<u>\$ 15,643,114</u>	<u>\$ 9,917,486</u>
	Less: Actual Expenditures and Other Uses		<u>(15,643,114)</u>				
	Restricted Revenue Appropriations Carried Forward to Fiscal Year 2002		<u>\$ 1,518,734</u>				

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF STATE GASOLINE TAX REVENUE AND BOND PROCEEDS, EXPENDITURES AND OTHER FINANCING SOURCES AND USES - BUDGET AND ACTUAL

INTERMODAL SURFACE TRANSPORTATION FUND

For the Fiscal Year Ended June 30, 2001

	State Gasoline Tax Revenue		
	Budget	Actual	Variance
Revenues:			
Taxes	\$ 131,600,000	\$ 128,115,439	\$ (3,484,561)
Other revenues			
Total revenues	131,600,000	128,115,439	(3,484,561)
Other financing sources:			
Operating transfers in			
Total revenues and other financing sources	131,600,000	128,115,439	(3,484,561)
Expenditures:			
Transportation	54,339,668	51,315,977	3,023,691
Total expenditures	54,339,668	51,315,977	3,023,691
Other financing uses:			
Operating transfers out	55,092,763	55,462,216	(369,453)
Operating transfers to component units	26,377,778	26,411,841	(34,063)
Total expenditures and other financing uses	135,810,209	133,190,034	2,620,175
Revenues and other financing sources over (under) expenditures and other financing uses	(4,210,209)	(5,074,595)	(864,386)
Fund balance, July 1, 2000	4,900,000	5,053,483	153,483
Fund balance, June 30, 2001	\$ 689,791	\$ (21,112)	\$ (710,903)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Bond Proceeds			Total		
Budget	Actual	Variance	Budget	Actual	Variance
\$ 3,500,000	\$ 5,004,787	\$ 1,504,787	\$ 131,600,000	\$ 128,115,439	\$ (3,484,561)
3,500,000	5,004,787	1,504,787	3,500,000	5,004,787	1,504,787
3,500,000	5,004,787	1,504,787	135,100,000	133,120,226	(1,979,774)
	29,712,526	29,712,526		29,712,526	29,712,526
3,500,000	34,717,313	31,217,313	135,100,000	162,832,752	27,732,752
3,500,000	17,810,922	(14,310,922)	57,839,668	69,126,899	(11,287,231)
3,500,000	17,810,922	(14,310,922)	57,839,668	69,126,899	(11,287,231)
	367,488	(367,488)	55,092,763	55,829,704	(736,941)
	132,891	(132,891)	26,377,778	26,544,732	(166,954)
3,500,000	18,311,301	(14,811,301)	139,310,209	151,501,335	(12,191,126)
	16,406,012	16,406,012	(4,210,209)	11,331,417	15,541,626
	16,198,079	16,198,079	4,900,000	21,251,562	16,351,562
\$	\$ 32,604,091	\$ 32,604,091	\$ 689,791	\$ 32,582,979	\$ 31,893,188

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DEBT SERVICE FUND

Debt service funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The state's debt service fund is funded by annual appropriations that approximate the annual interest savings from debt refundings and other sources. The funds are used to advance refund high interest debt.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

BALANCE SHEET

DEBT SERVICE FUND

June 30, 2001

Assets

Cash and cash equivalents	\$	23,660,497
Funds on deposit with fiscal agent		257,446
Due from other funds		28,840
Total assets	\$	<u>23,946,783</u>

Liabilities and Fund Balance

Liabilities:

Due to other funds	\$	<u>23,212,646</u>
Total liabilities		<u>23,212,646</u>

Fund balance:

Reserved for debt		<u>734,137</u>
Total fund balance		<u>734,137</u>
Total liabilities and fund balance	\$	<u>23,946,783</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE
IN FUND BALANCE**

DEBT SERVICE FUND

For the Fiscal Year Ended June 30, 2001

Revenues:

Income from investments	\$	526,318
Total revenues		<u>526,318</u>

Other financing sources:

Operating transfers from component units		115,360
Other		1,323,804
Total revenues and other financing sources		<u>1,965,482</u>

Expenditures:

Debt service - interest		<u>973,763</u>
Total expenditures		973,763

Other financing uses:

Operating transfers out		<u>2,775,457</u>
Total expenditures and other financing uses		<u>3,749,220</u>

Revenues and other financing sources over (under)
expenditures and other financing uses (1,783,738)

Fund balance, July 1, 2000 2,517,875

Fund balance, June 30, 2001 \$ 734,137

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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

CAPITAL PROJECTS FUNDS

June 30, 2001

Assets	R.I. Clean Water Act Environmental Trust Fund	Bond Capital Fund	R.I. Refunding Bond Authority	Certificates of Participation	Total
Cash and cash equivalents	\$ 9,855,781	\$ 131,061,785	\$ 652,576	\$	\$ 141,570,142
Funds on deposit with fiscal agent				32,133,616	32,133,616
Investments			16,343,384		16,343,384
Due from other funds		19,434,733			19,434,733
Due from federal government		3,156,647			3,156,647
Other assets			3,524,978		3,524,978
Total assets	\$ 9,855,781	\$ 153,653,165	\$ 20,520,938	\$ 32,133,616	\$ 216,163,500
Liabilities and Fund Balances					
Liabilities:					
Cash overdraft	\$	\$ 11,621,317	\$	\$	\$ 11,621,317
Vouchers and accounts payable		3,071,736	62,682	1,336,788	4,471,206
Due to other funds		40,206,600		1,671	40,208,271
Due to component units		1,200,029			1,200,029
Loan from other funds	1,500,000	1,458,339		36,633	2,994,972
Deferred revenue		65,695			65,695
Other liabilities			3,755,046		3,755,046
Total liabilities	1,500,000	57,623,716	3,817,728	1,375,092	64,316,536
Fund balances:					
Reserved for encumbrances		9,904,517		27,989,580	37,894,097
Reserved for debt			16,419,122	2,768,944	19,188,066
Reserved for self-insurance			100,000		100,000
Unreserved:					
Designated for capital projects	8,355,781	86,124,932			94,480,713
Undesignated			184,088		184,088
Total fund balances	8,355,781	96,029,449	16,703,210	30,758,524	151,846,964
Total liabilities and fund balances	\$ 9,855,781	\$ 153,653,165	\$ 20,520,938	\$ 32,133,616	\$ 216,163,500

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

CAPITAL PROJECTS FUNDS

For the Fiscal Year Ended June 30, 2001

	R.I. Clean Water Act Environmental Trust Fund	Bond Capital Fund	R.I. Refunding Bond Authority	Certificates of Participation	Total
Revenues:					
Charges for services	\$	\$	\$ 7,239,166	\$	\$ 7,239,166
Federal grants		8,642,216			8,642,216
Income from investments	614,455	8,376,241	1,102,343	847,377	10,940,416
Net increase in the fair value of investments			836,644		836,644
Total revenues	614,455	17,018,457	9,178,153	847,377	27,658,442
Other financing sources:					
Bonds and notes issued		149,915,000			149,915,000
Lease certificates of participation issued				31,330,000	31,330,000
Premium and accrued interest		5,569,570		75,498	5,645,068
Operating transfers in		44,705,959			44,705,959
Total revenues and other financing sources	614,455	217,208,986	9,178,153	32,252,875	259,254,469
Expenditures:					
Current:					
General government		988,102	55,618		1,043,720
Human services		2,992,247			2,992,247
Education		1,158,944			1,158,944
Natural resources	59,553	1,969,394			2,028,947
Transportation		3,270,374			3,270,374
Capital outlays				7,760,544	7,760,544
Intergovernmental	775	7,716,683			7,717,458
Debt service:					
Interest and other charges	9,776	1,121,483	8,161,432	899,879	10,192,570
Total expenditures	70,104	19,217,227	8,217,050	8,660,423	36,164,804
Other financing uses:					
Payment to refunded bonds escrow agent		123,020,189			123,020,189
Operating transfers out		80,655,783			80,655,783
Operating transfers to component units	2,347,792	36,190,721			38,538,513
Total expenditures and other financing uses	2,417,896	259,083,920	8,217,050	8,660,423	278,379,289
Revenues and other financing sources over (under) expenditures and other financing uses	(1,803,441)	(41,874,934)	961,103	23,592,452	(19,124,820)
Fund balances, July 1, 2000	10,159,222	137,904,383	15,742,107	7,166,072	170,971,784
Fund balances, June 30, 2001	\$ 8,355,781	\$ 96,029,449	\$ 16,703,210	\$ 30,758,524	\$ 151,846,964

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ENTERPRISE FUND

Enterprise funds account for operations where management has decided that periodic determination of revenues earned, expenses incurred (including depreciation), and/or net income is appropriate for capital maintenance, public policy, management control, a

State Lottery Fund

The State Lottery Fund operates lottery games for the purpose of generating resources for the state's General Fund.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

BALANCE SHEET

ENTERPRISE FUND

June 30, 2001

Assets	State Lottery
Cash and cash equivalents	\$ 4,798,950
Investments	1,839,580
Receivables (net)	6,004,550
Due from other funds	132
Inventories	735,696
Fixed assets (net)	513,244
Other assets	427,346
Total assets	<u>\$ 14,319,498</u>

Liabilities and Fund Equity

Liabilities:

Cash overdraft	\$ 432,782
Vouchers and accounts payable	5,734,906
Due to other funds	1,461,136
Accrued liabilities	475,706
Deferred revenue	141,136
Obligation for unpaid prize awards	5,966,884
Total liabilities	<u>14,212,550</u>

Fund equity:

Retained earnings: Unreserved	106,948
Total fund equity	<u>106,948</u>
Total liabilities and fund equity	<u>\$ 14,319,498</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND EQUITY

ENTERPRISE FUND

For the Fiscal Year Ended June 30, 2001

	<u>State Lottery</u>
Operating revenues:	
Charges for services	\$ 978,019,702
Total operating revenues	<u>978,019,702</u>
Operating expenses:	
Personal services	3,146,406
Supplies, materials, and services	132,564,808
Prize awards	662,974,491
Depreciation	217,457
Total operating expenses	<u>798,903,162</u>
Operating income	<u>179,116,540</u>
Nonoperating revenues:	
Income from investments	969,516
Other nonoperating revenue	683,944
Total nonoperating revenues	<u>1,653,460</u>
Income before transfers	<u>180,770,000</u>
Operating transfers out	<u>(180,841,895)</u>
Net loss	(71,895)
Fund equity, July 1, 2000	<u>178,843</u>
Fund equity, June 30, 2001	<u>\$ 106,948</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF CASH FLOWS

ENTERPRISE FUND

For the Fiscal Year Ended June 30, 2001

	<u>State Lottery</u>
Cash flows from operating activities:	
Cash received from customers	\$ 982,954,169
Cash payments to suppliers for goods and services	(3,470,489)
Cash payments to employees for services	(3,103,567)
Other operating revenue	894,822
Other operating expenses	(802,017,627)
Net cash provided by operating activities	<u>175,257,308</u>
Cash flows from noncapital financing activities:	
Operating transfers out	(192,281,633)
Negative cash balance implicitly financed	432,782
Net cash used for noncapital financing activities	<u>(191,848,851)</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(193,649)
Net cash used for capital and related financing activities	<u>(193,649)</u>
Cash flows from investing activities:	
Proceeds from sale and maturity of investments	1,209,579
Interest on investments	969,516
Net cash provided by investing activities	<u>2,179,095</u>
Net increase in cash and cash equivalents	(14,606,097)
Cash and cash equivalents, July 1, 2000	19,405,047
Cash and cash equivalents, June 30, 2001	<u>\$ 4,798,950</u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	<u>\$ 179,116,540</u>
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	217,457
Interest on investments and other income	(1,169,774)
(Increase) decrease in assets:	
Receivables	(1,154,047)
Inventories	68,105
Other assets	1,868,066
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(1,137,000)
Deferred revenue	(114,274)
Other liabilities	(2,437,765)
Total adjustments	<u>(3,859,232)</u>
Net cash provided by operating activities	<u>\$ 175,257,308</u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing and providing of specified goods and services, on a centralized basis, for other departments and agencies.

Federal Surplus Property – accounts for the revenues received and expenses incurred from the disposition of federal surplus property.

Assessed Fringe Benefits – accounts for the biweekly assessment of a percentage applied to salaries and wages to pay for certain fringe benefits, including workers' compensation to state employees injured on the job.

Central Utilities – processes all electric bills for the state and charges the expending department/agency.

Energy Revolving – accounts for revenues to be used to implement and encourage energy efficiency and cost reduction measures in state facilities or alternate fuel vehicles.

Central Services – provides for the delivery of mail services, processes all telephone bills, and is the hub of the state's data processing activity.

Special Facilities – maintains an inventory of prescription drugs for use at state institutions and provides laundry service to same.

Automotive Maintenance – approves work orders, pays the corresponding bills for the state fleet and bills the user department/agency.

Central Warehouse – purchases and maintains inventories of food and a variety of cleaning, household and office supplies for distribution to state agencies, local governments and non-profit agencies.

Correctional Industries – provides job training for inmates through prison industries.

Record Center – provides a centralized location for the archival of state documents.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

June 30, 2001

Assets	Federal Surplus Property	Assessed Fringe Benefits	Central Utilities	Energy Revolving
Cash and cash equivalents	\$	\$ 854,509	\$ 1,047,969	\$
Accounts receivable		1,250,000	1,862,785	111,329
Loans receivable				1,113,283
Due from other funds		618,699	1,410,355	200,000
Inventories				
Prepaid items				
Fixed assets (net)		25,012	1,158	
Total assets	\$	\$ 2,748,220	\$ 4,322,267	\$ 1,424,612
Liabilities and Fund Equity				
Liabilities:				
Cash overdraft	\$ 500	\$	\$	\$ 110,767
Vouchers and accounts payable		169,855	3,850,696	
Due to other funds		729,610	354	
Accrued liabilities		368,437	34,704	
Loans from the general fund		1,000,000	200,000	
Obligations under capital leases				
Total liabilities	500	2,267,902	4,085,754	110,767
Fund equity:				
Retained earnings (deficit):				
Reserved for capital expansion				
Unreserved	(500)	480,318	236,513	1,313,845
Total fund equity (deficit)	(500)	480,318	236,513	1,313,845
Total liabilities and fund equity	\$	\$ 2,748,220	\$ 4,322,267	\$ 1,424,612

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Central Services	Special Facilities	Automotive Maintenance	Central Warehouse	Correctional Industries	Records Center	Total
\$ 352,319	\$ 73,071	\$ 716,717 592,304	\$ 207,476 283,602	\$ 640,428 326,603	\$ 72,959 72,296	\$ 3,613,129 4,851,238 1,113,283
1,638,174	659,196	483,426	240,673	1,143,132		6,393,655
218,507	504,530	135,252	745,832	694,398		2,298,519
	500,000					500,000
1,320,917	83,114	4,291	2,433,169	467,098	8,824	4,343,583
<u>\$ 3,529,917</u>	<u>\$ 1,819,911</u>	<u>\$ 1,931,990</u>	<u>\$ 3,910,752</u>	<u>\$ 3,271,659</u>	<u>\$ 154,079</u>	<u>\$ 23,113,407</u>
\$ 360,825	\$	\$	\$	\$	\$	\$ 472,092
800,390	256,011	1,207,171	210,703	328,821	48,922	6,872,569
221,539	30,404	26,988	1,837	383,500	17,907	1,412,139
1,338,308	119,365	61,751	141,029	157,219	15,502	2,236,315
200,000	400,000		200,000	850,000		2,850,000
152,238			1,174,379	16,632		1,343,249
<u>3,073,300</u>	<u>805,780</u>	<u>1,295,910</u>	<u>1,727,948</u>	<u>1,736,172</u>	<u>82,331</u>	<u>15,186,364</u>
456,617	1,014,131	636,080	2,182,804	1,456,275 79,212	71,748	1,456,275 6,470,768
<u>456,617</u>	<u>1,014,131</u>	<u>636,080</u>	<u>2,182,804</u>	<u>1,535,487</u>	<u>71,748</u>	<u>7,927,043</u>
<u>\$ 3,529,917</u>	<u>\$ 1,819,911</u>	<u>\$ 1,931,990</u>	<u>\$ 3,910,752</u>	<u>\$ 3,271,659</u>	<u>\$ 154,079</u>	<u>\$ 23,113,407</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND EQUITY****INTERNAL SERVICE FUNDS**

For the Fiscal Year Ended June 30, 2001

	<u>Federal Surplus Property</u>	<u>Assessed Fringe Benefits</u>	<u>Central Utilities</u>	<u>Energy Revolving</u>
Operating revenues:				
Charges for services	\$	\$ 25,982,985	\$ 17,896,679	\$ 111,329
Grants				861,278
Total operating revenues		<u>25,982,985</u>	<u>17,896,679</u>	<u>972,607</u>
Operating expenses:				
Personal services		1,823,570	209,079	
Supplies, materials, and services	50	23,618,621	17,688,832	
Depreciation		9,828	464	
Total operating expenses	<u>50</u>	<u>25,452,019</u>	<u>17,898,375</u>	
Operating income (loss)	<u>(50)</u>	<u>530,966</u>	<u>(1,696)</u>	<u>972,607</u>
Nonoperating revenues (expenses):				
Interest revenue				
Interest expense				
Income (loss) before transfers	<u>(50)</u>	<u>530,966</u>	<u>(1,696)</u>	<u>972,607</u>
Operating transfers in				
Net income (loss)	<u>(50)</u>	<u>530,966</u>	<u>(1,696)</u>	<u>972,607</u>
Fund equity (deficit), July 1, 2000, as restated	<u>(450)</u>	<u>(50,648)</u>	<u>238,209</u>	<u>341,238</u>
Fund equity (deficit), June 30, 2001	<u>\$ (500)</u>	<u>\$ 480,318</u>	<u>\$ 236,513</u>	<u>\$ 1,313,845</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Central Services	Special Facilities	Automotive Maintenance	Central Warehouse	Correctional Industries	Records Center	Total
\$ 17,832,342	\$ 9,539,320	\$ 12,976,889	\$ 6,754,160	\$ 5,535,960	\$ 835,837	\$ 97,465,501 861,278
17,832,342	9,539,320	12,976,889	6,754,160	5,535,960	835,837	98,326,779
6,851,096	1,079,762	396,411	849,909	1,701,228	176,733	13,087,788
11,121,734	8,326,941	12,415,483	5,294,733	3,124,781	639,311	82,230,486
441,964	12,728	812	157,541	107,115	1,909	732,361
18,414,794	9,419,431	12,812,706	6,302,183	4,933,124	817,953	96,050,635
(582,452)	119,889	164,183	451,977	602,836	17,884	2,276,144
		26,424		17,660		44,084
			(86,992)	(1,995)		(88,987)
(582,452)	119,889	190,607	364,985	618,501	17,884	2,231,241
			316,992			316,992
(582,452)	119,889	190,607	681,977	618,501	17,884	2,548,233
1,039,069	894,242	445,473	1,500,827	916,986	53,864	5,378,810
\$ 456,617	\$ 1,014,131	\$ 636,080	\$ 2,182,804	\$ 1,535,487	\$ 71,748	\$ 7,927,043

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Fiscal Year Ended June 30, 2001

	Federal Surplus Property	Assessed Fringe Benefits	Central Utilities	Energy Revolving
Cash flows from operating activities:				
Cash received from customers	\$	\$ 24,995,485	\$ 16,853,597	\$
Cash received from grants				661,278
Cash payments to suppliers for goods and services	(1,890)	(23,608,838)	(16,037,582)	
Cash payments to employees for services		(1,781,348)	(207,776)	
Loans issued				(1,113,283)
Other operating revenue		882,940	7,245	
Net cash provided by (used for) operating activities	(1,890)	488,239	615,484	(452,005)
Cash flows from noncapital financing activities:				
Loans from the general fund		1,762,746	100,000	
Repayment of loans to the general fund		(1,412,746)	(300,000)	
Negative cash balance implicitly financed	500			110,767
Net cash provided by (used for) noncapital financing activities	500	350,000	(200,000)	110,767
Cash flows from capital and related financing activities:				
Principal paid on capital lease obligations				
Interest paid on capital lease obligations				
Acquisition of capital assets				
Debt service subsidy				
Net cash provided by (used for) capital and related financing activities				
Cash flows from investing activities:				
Interest on investments				
Net cash provided by (used for) investing activities				
Net increase (decrease) in cash and cash equivalents	(1,390)	838,239	415,484	(341,238)
Cash and cash equivalents, July 1, 2000	1,390	16,270	632,485	341,238
Cash and cash equivalents, June 30, 2001	\$	\$ 854,509	\$ 1,047,969	\$
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:				
Operating income (loss)	\$ (50)	\$ 530,966	\$ (1,696)	\$ 972,607
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:				
Depreciation		9,828	464	
(Increase) decrease in assets:				
Receivables	(1,840)	(990,713)	(1,043,082)	(1,424,612)
Inventory				
Prepaid items				
Increase (decrease) in liabilities:				
Vouchers and accounts payable		895,935	1,658,496	
Accrued expenses		42,223	1,302	
Total adjustments	(1,840)	(42,727)	617,180	(1,424,612)
Net cash provided by (used for) operating activities	\$ (1,890)	\$ 488,239	\$ 615,484	\$ (452,005)

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Central Services	Special Facilities	Automotive Maintenance	Central Warehouse	Correctional Industries	Records Center	Total
\$ 17,056,295	\$ 9,644,556	\$ 12,488,193	\$ 6,551,997	\$ 7,430,302	\$ 835,800	\$ 95,856,225
(10,839,735)	(8,908,096)	(12,380,598)	(5,231,670)	(5,572,152)	(628,793)	(83,209,354)
(6,920,971)	(1,056,205)	(401,604)	(857,074)	(1,685,010)	(178,261)	(13,088,249)
					508	(1,112,775)
174,395	71,711	448,526	42,130	46,748		1,673,695
(530,016)	(248,034)	154,517	505,383	219,888	29,254	780,820
100,000	300,000		100,000	100,000		2,462,746
(400,000)	(400,000)		(470,000)			(2,982,746)
360,825						472,092
60,825	(100,000)		(370,000)	100,000		(47,908)
(197,237)			(233,737)	(16,791)		(447,765)
			(86,992)	(1,995)		(88,987)
(194,345)	(94,405)	(3,481)		(203,616)		(495,847)
			316,992			316,992
(391,582)	(94,405)	(3,481)	(3,737)	(222,402)		(715,607)
		26,424		17,660		44,084
		26,424		17,660		44,084
(860,773)	(442,439)	177,460	131,646	115,146	29,254	61,389
860,773	515,510	539,257	75,830	525,282	43,705	3,551,740
\$	\$ 73,071	\$ 716,717	\$ 207,476	\$ 640,428	\$ 72,959	\$ 3,613,129
\$ (582,452)	\$ 119,889	\$ 164,183	\$ 451,977	\$ 602,836	\$ 17,884	\$ 2,276,144
441,964	12,728	812	157,541	107,115	1,909	732,361
(933,745)	105,434	(429,891)	(202,163)	1,894,342	(38)	(3,026,308)
(66,557)	199,372	42,061	(22,882)	(158,232)		(6,238)
	(500,000)					(500,000)
680,649	(209,014)	382,546	128,075	(2,242,391)	11,027	1,305,323
(69,875)	23,557	(5,194)	(7,165)	16,218	(1,528)	(462)
52,436	(367,923)	(9,666)	53,406	(382,948)	11,370	(1,495,324)
\$ (530,016)	\$ (248,034)	\$ 154,517	\$ 505,383	\$ 219,888	\$ 29,254	\$ 780,820

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TRUST AND AGENCY FUNDS

Trust and agency funds account for transactions related to assets held by the state in a trust or agency capacity.

Expendable Trust Funds

Employment Security – accounts for the state's unemployment compensation benefits. Revenues consist of taxes assessed on employers to pay benefits to qualified unemployed persons.

Nonexpendable Trust Funds

Permanent School – accounts for certain appropriations of the General Assembly and the earnings thereon, which are to be used for the promotion and support of public education.

Touro Jewish Synagogue – accounts for the earnings on monies bequeathed to the state for the purpose of maintaining the Touro

Pension Trust Funds

Employees' Retirement System – a multiple-employer, cost-sharing, public employee retirement plan for state employees, teachers and certain employees of local public school districts.

State Police Benefit Trust – a single-employer public employee retirement plan for state police hired after July 1, 1987.

Judicial Benefit Trust - a single-employer public employee retirement plan for judges hired after December 31, 1989.

Municipal Employees' Retirement System – an agent multiple-employer public employee retirement plan for municipal police, firemen and employees of municipalities, housing authorities and water and sewer districts that have elected to participate.

Agency Fund

Statutory Deposits – accounts for deposits required from financial institutions, principally insurance companies, doing business within

Court Deposits – accounts for deposits held by various state courts pending resolution of litigation between two or more parties.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

TRUST AND AGENCY FUNDS

June 30, 2001

Assets	Expendable Trust Fund		Nonexpendable Trust Funds			Total
	Pension Trust	Employment Security	Permanent School	Touro Jewish Synagogue	Agency Funds	
Cash and cash equivalents	\$ 1,153,662	\$ 1,323,274	\$ 726,656	\$ 42,870	\$ 14,373,613	\$ 17,620,075
Funds on deposit with fiscal agent		293,711,861				293,711,861
Investments	6,566,513,881			2,263,338	53,844,476	6,622,621,695
Receivables (net)	24,090,307	36,454,883		3,576		60,548,766
Due from other funds	7,568,759	137,762				7,706,521
Due from other governments and agencies		1,674,848				1,674,848
Fixed assets (net)	9,120,751					9,120,751
Other assets	1,545,637					1,545,637
Total assets	\$ 6,609,992,997	\$ 333,302,628	\$ 726,656	\$ 2,309,784	\$ 68,218,089	\$ 7,014,550,154
Liabilities and Fund Balances						
Liabilities:						
Vouchers and accounts payable	\$ 5,926,629	\$	\$	\$	\$	\$ 5,926,629
Deposits held for others					68,218,089	68,218,089
Due to other funds		85,871				85,871
Due to other governments and agencies		1,109,800				1,109,800
Other liabilities	438,543,933					438,543,933
Total liabilities	444,470,562	1,195,671			68,218,089	513,884,322
Fund balances:						
Reserved for employment insurance programs		332,106,957				332,106,957
Reserved for employees' pension benefits	6,165,522,435					6,165,522,435
Unreserved			726,656	2,309,784		3,036,440
Total fund balances	6,165,522,435	332,106,957	726,656	2,309,784		6,500,665,832
Total liabilities and fund balances	\$ 6,609,992,997	\$ 333,302,628	\$ 726,656	\$ 2,309,784	\$ 68,218,089	\$ 7,014,550,154

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF PLAN NET ASSETS

PENSION TRUST FUNDS

June 30, 2001

	Employees' Retirement System	Municipal Employees' Retirement System	State Police Retirement Benefits Trust	Judicial Retirement Benefits Trust	Total
Assets					
Cash and cash equivalents	\$ 685,257	\$ 173,461	\$ 180,635	\$ 114,309	\$ 1,153,662
Receivables:					
Member contributions	11,466,584	1,489,260			12,955,844
Employer contributions	9,624,894	1,509,569			11,134,463
Due from other funds	7,568,759				7,568,759
Miscellaneous	1,340,768	195,326	5,511	4,032	1,545,637
Total receivables	30,001,005	3,194,155	5,511	4,032	33,204,703
Investments, at fair value:					
Equity in short-term investment fund	4,322,868	2,652,647			6,975,515
Equity in pooled trust	5,296,571,916	776,856,253	12,354,404	7,886,266	6,093,668,839
Plan specific investments	27,325,594				27,325,594
Total investments before lending activities	5,328,220,378	779,508,900	12,354,404	7,886,266	6,127,969,948
Invested securities lending collateral	381,179,145	55,908,125	889,111	567,552	438,543,933
Property and equipment, at cost, net of accumulated depreciation					
Line of Business System in Development	7,467,544	1,090,313	15,037	9,714	8,582,608
Computer Equipment (net of accumulated depreciation \$134,535)	468,329	68,335	897	582	538,143
Total Property and Equipment	7,935,873	1,158,648	15,934	10,296	9,120,751
Total assets	5,748,021,658	839,943,289	13,445,595	8,582,455	6,609,992,997
Liabilities					
Securities lending liability	381,179,145	55,908,125	889,111	567,552	438,543,933
Vouchers and accounts payable	5,164,143	743,274	11,705	7,507	5,926,629
Total liabilities	386,343,288	56,651,399	900,816	575,059	444,470,562
Net assets held in trust for pension benefits	\$ 5,361,678,370	\$ 783,291,890	\$ 12,544,779	\$ 8,007,396	\$ 6,165,522,435

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CHANGES IN PLAN NET ASSETS

PENSION TRUST FUNDS

For the Fiscal Year Ended June 30, 2001

	Employees' Retirement System	Municipal Employees' Retirement System	State Police Retirement Benefits Trust	Judicial Retirement Benefits Trust	TOTAL (Memorandum only)
Additions:					
Contributions:					
Member contributions	\$ 120,115,161	\$ 15,858,098	\$ 615,081	\$ 330,424	\$ 136,918,764
Employer contributions	94,280,315	6,092,688	1,819,930	1,163,571	103,356,504
State contributions for teachers	35,365,234				35,365,234
Interest on service credits purchased	972,461	127,465			1,099,926
Total contributions	250,733,171	22,078,251	2,435,011	1,493,995	276,740,428
Investment income:					
Net depreciation in fair value of investments	(833,071,866)	(121,990,923)	(1,755,616)	(1,133,539)	(957,951,944)
Interest	135,380,467	19,623,649	278,766	180,051	155,462,933
Dividends	29,830,012	4,366,801	62,831	40,474	34,300,118
Other investment income	19,179,633	2,806,664	39,289	25,427	22,051,013
	(648,681,754)	(95,193,809)	(1,374,730)	(887,587)	(746,137,880)
Less investment expense	20,180,662	2,952,867	42,299	27,256	23,203,084
Net loss from investing activities	(668,862,416)	(98,146,676)	(1,417,029)	(914,843)	(769,340,964)
Securities Lending:					
Securities lending income	11,975,954	1,756,391	27,847	17,777	13,777,969
Less securities lending expense	(10,931,498)	(1,603,339)	(25,498)	(16,276)	(12,576,611)
Net securities lending income	1,044,456	153,052	2,349	1,501	1,201,358
Total net investment loss	(667,817,960)	(97,993,624)	(1,414,680)	(913,342)	(768,139,606)
Total additions	(417,084,789)	(75,915,373)	1,020,331	580,653	(491,399,178)
Deductions:					
Benefits:					
Retirement benefits	277,319,497	28,669,422		76,524	306,065,443
Cost of living adjustment	65,615,147	2,889,175			68,504,322
SRA Plus (option)	19,280,077	1,309,124			20,589,201
Supplemental benefits	956,500				956,500
Death benefits post retirement	2,533,440	626,177			3,159,617
Death benefits pre retirement	292,400	92,800			385,200
Total benefits	365,997,061	33,586,698		76,524	399,660,283
Refund of contributions	6,027,280	1,337,479			7,364,759
Administrative expense	2,662,558	386,016	2,045	908	3,051,527
Total deductions	374,686,899	35,310,193	2,045	77,432	410,076,569
Net increase (decrease)	(791,771,688)	(111,225,566)	1,018,286	503,221	(901,475,747)
Net assets held in trust for pension benefits					
July 1, 2000	6,153,450,058	894,517,456	11,526,493	7,504,175	7,066,998,182
June 30, 2001	\$ 5,361,678,370	\$ 783,291,890	\$ 12,544,779	\$ 8,007,396	\$ 6,165,522,435

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

EXPENDABLE TRUST FUND - EMPLOYMENT SECURITY

For the Fiscal Year Ended June 30, 2001

Revenues:

Taxes	\$ 139,847,477
Federal grants	1,478,145
Interest earnings - funds in trust	18,719,761
Other revenues	1,519,678
Total revenues	<u>161,565,061</u>

Other financing sources:

Reimbursements from other states	<u>5,481,960</u>
Total revenues and other financing sources	<u>167,047,021</u>

Expenditures:

Human services	<u>151,075,062</u>
Total expenditures	<u>151,075,062</u>

Other financing uses:

Benefits paid to other states	3,851,298
Other	52,038
	<u>3,903,336</u>

Total expenditures and other financing uses	<u>154,978,398</u>
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Revenues and other financing sources over expenditures and other financing uses	12,068,623
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Fund balance, July 1, 2000, as restated	<u>320,038,334</u>
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Fund balance, June 30, 2001	<u><u>\$ 332,106,957</u></u>
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STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND BALANCES****NONEXPENDABLE TRUST FUNDS**

For the Fiscal Year Ended June 30, 2001

	<u>Permanent School</u>	<u>Touro Jewish Synagogue</u>	<u>Total</u>
Operating revenues:			
Fees	\$ 50,135	\$	\$ 50,135
Investment revenue:			
Interest and dividends	35,786	77,885	113,671
Net decrease in fair value of investments		(280,282)	(280,282)
Total operating revenues	<u>85,921</u>	<u>(202,397)</u>	<u>(116,476)</u>
Operating expenses:			
Maintenance		185,892	185,892
Brokerage fees		23,257	23,257
Total operating expenses		<u>209,149</u>	<u>209,149</u>
Operating income	<u>85,921</u>	<u>(411,546)</u>	<u>(325,625)</u>
Fund balances, July 1, 2000	<u>640,735</u>	<u>2,721,330</u>	<u>3,362,065</u>
Fund balances, June 30, 2001	<u>\$ 726,656</u>	<u>\$ 2,309,784</u>	<u>\$ 3,036,440</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS

NONEXPENDABLE TRUST FUNDS

For the Fiscal Year Ended June 30, 2001

	Permanent School	Touro Jewish Synagogue	Total
	<u> </u>	<u> </u>	<u> </u>
Cash flows from operating activities:			
Fees	\$ 50,135	\$	\$ 50,135
Maintenance		(185,892)	(185,892)
Brokerage fees		(23,257)	(23,257)
	<u>50,135</u>	<u>(209,149)</u>	<u>(159,014)</u>
Cash flows from investing activities:			
Purchase of investments		(730,772)	(730,772)
Proceeds from sale of investments		891,304	891,304
Interest and dividends on investments	35,786	77,885	113,671
	<u>35,786</u>	<u>238,417</u>	<u>274,203</u>
Net increase (decrease) in cash and cash equivalents	85,921	29,268	115,189
Cash and cash equivalents, July 1, 2000	640,735	13,602	654,337
	<u>\$ 726,656</u>	<u>\$ 42,870</u>	<u>\$ 769,526</u>
Reconciliation of operating income to net cash provided by (used for) operating activities:			
Operating income	\$ 85,921	\$ (411,546)	\$ (325,625)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:			
Income from investments	(35,786)	202,397	166,611
Total adjustments	<u>(35,786)</u>	<u>202,397</u>	<u>166,611</u>
Net cash provided by (used for) operating activities	<u>\$ 50,135</u>	<u>\$ (209,149)</u>	<u>\$ (159,014)</u>
Cash and cash equivalents reported on the combining balance sheet are:			
Pension Trust Funds			\$ 1,153,662
Expendable Trust Fund:			
Employment Security			1,323,274
Nonexpendable Trust Funds:			
Permanent School			726,656
Touro Jewish Synagogue			42,870
Agency Funds			14,373,613
			<u>\$ 17,620,075</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****AGENCY FUNDS**

For the Fiscal Year Ended June 30, 2001

Statutory Deposits

Assets	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
Cash and cash equivalents	\$ 2,588,250	\$ 2,161,302	\$	\$ 4,749,552
Investments	56,097,014		2,252,538	53,844,476
Total assets	\$ 58,685,264	\$ 2,161,302	\$ 2,252,538	\$ 58,594,028
Liabilities				
Deposits held for others	\$ 58,685,264	\$	\$ 91,236	\$ 58,594,028
Total liabilities	\$ 58,685,264	\$	\$ 91,236	\$ 58,594,028

Court Deposits

Assets	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
Cash and cash equivalents	\$ 8,973,177	\$ 650,884	\$	\$ 9,624,061
Total assets	\$ 8,973,177	\$ 650,884	\$	\$ 9,624,061
Liabilities				
Deposits held for others	\$ 8,973,177	\$ 650,884	\$	\$ 9,624,061
Total liabilities	\$ 8,973,177	\$ 650,884	\$	\$ 9,624,061

Total - All Agency Funds

Assets	Balance July 1, 2000	Additions	Deductions	Balance June 30, 2001
Cash and cash equivalents	\$ 11,561,427	\$ 2,812,186	\$	\$ 14,373,613
Investments	56,097,014		2,252,538	53,844,476
Total assets	\$ 67,658,441	\$ 2,812,186	\$ 2,252,538	\$ 68,218,089
Liabilities				
Deposits held for others	\$ 67,658,441	\$ 650,884	\$ 91,236	\$ 68,218,089
Total liabilities	\$ 67,658,441	\$ 650,884	\$ 91,236	\$ 68,218,089

GENERAL LONG-TERM DEBT ACCOUNT GROUP

The general long-term debt account group is to establish accounting control and accountability for the state's unmatured principle of its general long-term debt, except for that which is accounted for in the proprietary and trust funds, for which the state is obligated in some manner.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF GENERAL LONG-TERM DEBT

June 30, 2001

Assets and other debits

Amount available in debt service reserves:	
Debt service fund	\$ 734,137
Certificates of participation	2,768,944
R.I. Refunding Bond Authority	16,419,122
Amount to be provided for the retirement of general long-term debt	1,571,782,308
	<hr/>
Total	\$ 1,591,704,511
	<hr/> <hr/>

Liabilities

Compensated absences	\$ 65,574,353
Obligations under capital leases:	
Lease obligations to the R.I. Convention Center Authority	315,805,000
Certificates of participation	126,470,000
Bonds Payable:	
Current interest bonds	829,033,563
Capital appreciation bonds	24,816,035
Accreted interest on capital appreciation bonds	34,164,719
Revenue bonds - RIRBA	147,385,000
Other long-term liabilities:	
FHWA ROW Revolving Fund	2,250,000
Violent crimes claims	5,454,697
Arbitrage rebate payable	13,656,451
Negotiated settlements	17,986,123
Retainage payable - ISTE A	8,935,160
Due to federal government - ISTE A	173,410
	<hr/>
Total	\$ 1,591,704,511
	<hr/> <hr/>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

STATEMENT OF CHANGES IN GENERAL LONG-TERM DEBT

For the Fiscal Year Ended June 30, 2001

	Balance July 1, 2000	Additions	Reductions	Balance June 30, 2001
General obligation bonds payable:				
Current interest bonds	\$ 849,768,581	\$ 149,935,000	\$ 170,670,018	\$ 829,033,563
Capital appreciation bonds	31,289,264		6,473,229	24,816,035
Accreted interest on capital appreciation bonds	36,345,902	5,118,588	7,299,771	34,164,719
Revenue bonds - R.I. Refunding Bond Authority	161,210,000		13,825,000	147,385,000
Bonds payable	<u>1,078,613,747</u>	<u>155,053,588</u>	<u>198,268,018</u>	<u>1,035,399,317</u>
Lease obligations to the R.I. Convention Center Authority	322,930,000		7,125,000	315,805,000
Certificates of participation	<u>102,013,000</u>	<u>31,330,000</u>	<u>6,873,000</u>	<u>126,470,000</u>
Obligations under capital leases	<u>424,943,000</u>	<u>31,330,000</u>	<u>13,998,000</u>	<u>442,275,000</u>
Compensated absences	65,007,407	6,235,528	5,668,582	65,574,353
Other long-term liabilities:				
FHWA ROW Revolving Fund	2,250,000			2,250,000
Violent crimes claims	10,842,991		5,388,294	5,454,697
Arbitrage rebate payable	6,607,835	7,048,616		13,656,451
Negotiated settlements		17,986,123		17,986,123
Retainage payable - ISTE A		8,935,160		8,935,160
Due to federal government - ISTE A		173,410		173,410
	<u>\$ 1,588,264,980</u>	<u>\$ 226,762,425</u>	<u>\$ 223,322,894</u>	<u>\$ 1,591,704,511</u>

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COMPONENT UNITS

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

DISCRETELY PRESENTED GOVERNMENTAL COMPONENT UNITS

June 30, 2001

Assets	University of Rhode Island	Rhode Island College	Community College of Rhode Island	Central Falls School District	Total
Cash and cash equivalents	\$ 37,305,803	\$ 6,276,147	\$ 6,584,341	\$ 4,949,833	\$ 55,116,124
Investments		1,165,378			1,165,378
Receivables (net)	28,428,037	8,217,731	1,459,327	708,782	38,813,877
Due from primary government	857,692	866,840	422,098		2,146,630
Inventories	1,794,296	494,217	541,648		2,830,161
Fixed assets (net)	19,236,690				19,236,690
Other assets	37,047,589	1,467,225	74,968		38,589,782
Amount available in debt service reserves		209,345	591,031		800,376
Amount to be provided for retirement of general long-term obligations	87,569,954	22,451,481	10,378,381	1,287,802	121,687,618
Total assets	\$ 212,240,061	\$ 41,148,364	\$ 20,051,794	\$ 6,946,417	\$ 280,386,636
Liabilities and Fund Equity					
Liabilities:					
Cash overdraft	\$ 5,495,100	\$	\$	\$ 335,515	\$ 5,830,615
Vouchers and accounts payable	21,647,052	5,051,313	3,231,161	2,781,430	32,710,956
Due to primary government	900,995	402,482	496,336		1,799,813
Deferred revenue	9,725,491	1,422,302	1,391,798		12,539,591
Other current liabilities	1,874,008	2,320,704	475,169	160,606	4,830,487
Compensated absences	22,005,805	4,366,867	4,956,535	1,268,949	32,598,156
Notes payable		2,271,846			2,271,846
Loans payable	861,181				861,181
Obligations under capital leases	16,767,838	2,886,790	1,950,026	18,853	21,623,507
Bonds payable	87,323,283	13,555,323	4,062,851		104,941,457
Total liabilities	166,600,753	32,277,627	16,563,876	4,565,353	220,007,609
Fund equity:					
Retained earnings	15,126,993				15,126,993
Fund balances:					
Reserved	60,219,796	8,750,873	3,487,918	576,939	73,035,526
Unreserved:					
Undesignated (deficit)	(29,707,481)	119,864		1,804,125	(27,783,492)
Total fund equity	45,639,308	8,870,737	3,487,918	2,381,064	60,379,027
Total liabilities and fund equity	\$ 212,240,061	\$ 41,148,364	\$ 20,051,794	\$ 6,946,417	\$ 280,386,636

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND EQUITY

DISCRETELY PRESENTED GOVERNMENTAL COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

	University of Rhode Island	Rhode Island College	Community College of Rhode Island	Central Falls School District	Total
Revenues:					
Sales and services	\$ 129,632,320	\$ 38,571,288	\$ 24,454,601	\$ 148,619	\$ 192,806,828
Federal grants	55,300,421	6,875,686	6,575,817		68,751,924
Other revenues	33,086,532	2,312,487	3,423,352	2,247,370	41,069,741
Total revenues	218,019,273	47,759,461	34,453,770	2,395,989	302,628,493
Other financing sources:					
Bond and loan proceeds	8,328,827	1,010,126			9,338,953
Operating transfers from primary government	82,134,164	42,641,830	38,968,039	35,190,665	198,934,698
Other		350,000			350,000
Total revenues and other financing sources	308,482,264	91,761,417	73,421,809	37,586,654	511,252,144
Expenditures:					
Current:					
Education	290,022,294	87,052,277	71,474,862	35,618,696	484,168,129
Capital outlays	26,650,093	2,321,719	1,375,957	920,177	31,267,946
Debt service:					
Principal	598,678		25,239		623,917
Interest	1,860,491	249,674	393,428		2,503,593
Total expenditures	319,131,556	89,623,670	73,269,486	36,538,873	518,563,585
Other financing uses:					
Operating transfers out to primary government	3,161,748	1,031,308	179,768		4,372,824
Other	32,858				32,858
Total expenditures and other financing uses	322,326,162	90,654,978	73,449,254	36,538,873	522,969,267
Revenues and other financing sources over (under) expenditures and other financing uses	(13,843,898)	1,106,439	(27,445)	1,047,781	(11,717,123)
Net gain from proprietary operations	13,880,596				13,880,596
Fund equity, July 1, 2000	45,602,610	7,764,298	3,515,363	1,333,283	58,215,554
Fund equity, June 30, 2001	\$ 45,639,308	\$ 8,870,737	\$ 3,487,918	\$ 2,381,064	\$ 60,379,027

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

June 30, 2001

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority
Assets			
Cash and cash equivalents	\$ 225,870,080	\$ 47,224,039	\$ 3,195,481
Investments	485,702,588	116,703,445	34,981,285
Receivables (net)	1,292,581,612	612,405,848	459,442
Due from primary government			
Due from other governments and agencies			
Inventories			
Fixed assets (net)	15,229,073	434,777	47,605,374
Rentals due			
Other assets	25,420,622	4,647,435	456,407
Total assets	<u>\$ 2,044,803,975</u>	<u>\$ 781,415,544</u>	<u>\$ 86,697,989</u>
Liabilities and Fund Equity			
Liabilities:			
Vouchers and accounts payable	\$	\$	\$ 581,377
Due to primary government			
Due to other governments and agencies		268,382	
Accrued liabilities	42,813,748	16,930,415	471,675
Deferred revenue	5,701,533	511,734	744,454
Notes payable	14,086,289		
Loans payable			
Obligations under capital leases			
Bonds payable	1,540,657,244	715,540,261	40,660,646
Escrow deposits	189,034,903		
Other long-term liabilities			
Total liabilities	<u>1,792,293,717</u>	<u>733,250,792</u>	<u>42,458,152</u>
Fund equity:			
Contributed capital			
Retained earnings:			
Reserved	252,510,258		4,804,826
Unreserved (deficit)		48,164,752	39,435,011
Total fund equity (deficit)	<u>252,510,258</u>	<u>48,164,752</u>	<u>44,239,837</u>
Total liabilities and fund equity	<u>\$ 2,044,803,975</u>	<u>\$ 781,415,544</u>	<u>\$ 86,697,989</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Economic Development Corporation	R.I. Convention Center Authority	Narragansett Bay Commission	R.I. Health and Educational Building Corporation	R.I. Resource Recovery Corporation	R.I. Depositors Economic Protection Corporation
\$ 75,142,789	\$ 8,202,135	\$ 18,248,250	\$ 322,188	\$ 1,568,596	\$ 14,584,939
49,391,955	21,417,751		7,296,180	11,991,759	
48,512,445	1,901,414	10,590,979	2,243,257	6,424,123	138,997
665,596					
9,616,756					
326,585,549	213,566,286	229,792,093	10,100	53,795,816	18,986
4,449,954	6,699,066	1,960,609	20,001	55,014,834	6,573,954
<u>\$ 514,365,044</u>	<u>\$ 251,786,652</u>	<u>\$ 260,591,931</u>	<u>\$ 9,891,726</u>	<u>\$ 128,795,128</u>	<u>\$ 21,316,876</u>
\$ 2,733,200	\$ 1,512,623	\$ 4,426,983	\$	\$ 4,785,331	\$
	2,235,108	32,260			1,000,000
		260,632			
4,885,975	3,379,697	2,471,149	12,643	353,230	628,109
	722,583	868,001			
431,000	2,053,286				
		52,843,472			
28,199,533		203,214			
244,995,686	295,011,384	18,321,154			
13,923,084		207,683		42,948,161	253,215
<u>295,168,478</u>	<u>304,914,681</u>	<u>79,634,548</u>	<u>12,643</u>	<u>48,086,722</u>	<u>1,881,324</u>
144,657,378		143,275,761			
		101,241			
74,539,188	(53,128,029)	37,580,381	9,879,083	80,708,406	19,435,552
219,196,566	(53,128,029)	180,957,383	9,879,083	80,708,406	19,435,552
<u>\$ 514,365,044</u>	<u>\$ 251,786,652</u>	<u>\$ 260,591,931</u>	<u>\$ 9,891,726</u>	<u>\$ 128,795,128</u>	<u>\$ 21,316,876</u>

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING BALANCE SHEET (Continued)

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

June 30, 2001

	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation
Assets			
Cash and cash equivalents	\$ 14,524,344	\$ 7,229,043	\$ 1,001,044
Investments	486,846,566		
Receivables (net)	725,257	1,976,196	128,057
Due from primary government	8,925	2,378,552	
Due from other governments and agencies	2,464,122	13,579,116	
Inventories		1,967,854	
Fixed assets (net)	1,496,062	75,434,547	
Rentals due			
Other assets	7,656,820	268,921	
Total assets	<u>\$ 513,722,096</u>	<u>\$ 102,834,229</u>	<u>\$ 1,129,101</u>
Liabilities and Fund Equity			
Liabilities:			
Vouchers and accounts payable	\$ 6,937,981	\$ 17,174,035	\$ 10,000
Due to primary government	33,148	1,646,661	
Due to other governments and agencies	17,739,316		
Accrued liabilities	284,633	8,629,520	
Deferred revenue	288,168	194,539	875
Notes payable	434,956		
Loans payable			
Obligations under capital leases			
Bonds payable			
Escrow deposits			653,671
Other long-term liabilities	935,000	20,050	
Total liabilities	<u>26,653,202</u>	<u>27,664,805</u>	<u>664,546</u>
Fund equity:			
Contributed capital		81,132,193	
Retained earnings:			
Reserved	476,629,974		
Unreserved (deficit)	10,438,920	(5,962,769)	464,555
Total fund equity (deficit)	<u>487,068,894</u>	<u>75,169,424</u>	<u>464,555</u>
Total liabilities and fund equity	<u>\$ 513,722,096</u>	<u>\$ 102,834,229</u>	<u>\$ 1,129,101</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Clean Water Finance Agency	R.I. Industrial- Recreational Building Authority	R.I. Water Resources Board Corporate	R.I. Public Telecommuni- cations Authority	R.I. Children's Crusade for Higher Education	Total
\$ 35,236,475	\$ 3,220,138	\$ 3,339,100	\$ 736,995	\$ 382,013	\$ 460,027,649
84,281,906		4,160,783	1,640,383	10,352,227	1,314,766,828
189,127,098	693,783	373,557	68,289	584,906	2,168,935,260
					3,053,073
					25,659,994
					1,967,854
35,779	634,635		4,681,299	105,023	969,425,399
		7,815,000			7,815,000
1,487,299	6,626	473,352	458,266	47,608,480	163,202,646
<u>\$ 310,168,557</u>	<u>\$ 4,555,182</u>	<u>\$ 16,161,792</u>	<u>\$ 7,585,232</u>	<u>\$ 59,032,649</u>	<u>\$ 5,114,853,703</u>
\$ 168,849	\$ 23,177	\$ 11,007	\$ 69,613	\$ 457,260	\$ 38,891,436
			11,337		4,958,514
					18,268,330
3,495,696		280,587	456,200		85,093,277
		965,780	15,217		10,012,884
					17,005,531
					52,843,472
			6,278,234		34,680,981
178,039,450		15,939,578			3,049,165,403
	653,671				190,342,245
	1,765,799			55,750,000	115,802,992
<u>181,703,995</u>	<u>2,442,647</u>	<u>17,196,952</u>	<u>6,830,601</u>	<u>56,207,260</u>	<u>3,617,065,065</u>
					369,065,332
					734,046,299
128,464,562	2,112,535	(1,035,160)	754,631	2,825,389	394,677,007
<u>128,464,562</u>	<u>2,112,535</u>	<u>(1,035,160)</u>	<u>754,631</u>	<u>2,825,389</u>	<u>1,497,788,638</u>
<u>\$ 310,168,557</u>	<u>\$ 4,555,182</u>	<u>\$ 16,161,792</u>	<u>\$ 7,585,232</u>	<u>\$ 59,032,649</u>	<u>\$ 5,114,853,703</u>

Concluded

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND EQUITY****DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS**

For the Fiscal Year Ended June 30, 2001

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority
Operating revenues:			
Charges for services	\$ 4,091,974	\$	\$ 11,223,554
Interest on loans	93,007,332	55,126,597	
Interest on investments	30,050,539		
Net increase (decrease) in fair value of investments	2,043,183	217,231	
Other operating revenue	1,147,991		
Total operating revenues	130,341,019	55,343,828	11,223,554
Operating expenses:			
Personal services	8,602,575	1,251,856	1,544,068
Supplies, materials, and services	8,666,505	3,074,478	1,580,189
Interest expense	89,893,620	31,413,887	
Grant, scholarships, and contract programs			
Depreciation, depletion, and amortization	2,742,103	459,987	855,391
Other operating expenses	10,182,928	12,259,045	1,302,556
Total operating expenses	120,087,731	48,459,253	5,282,204
Operating income (loss)	10,253,288	6,884,575	5,941,350
Nonoperating revenues (expenses):			
Interest revenue			3,238,598
Grants			
Gain (loss) on sale of property			(1,123)
Interest expense			(1,984,969)
Other nonoperating revenues (expenses)			106,116
Total nonoperating revenue (expenses)			1,358,622
Income (loss) before transfers	10,253,288	6,884,575	7,299,972
Operating transfers from primary government			
Operating transfers from (to) component units			
Operating transfers to primary government			
Income (loss) before extraordinary items	10,253,288	6,884,575	7,299,972
Extraordinary items	(895,453)		
Net income (loss)	9,357,835	6,884,575	7,299,972
Other changes in fund equity:			
Increase (decrease) in contributed capital			
Other	3,650,044		
Net increase (decrease) in fund equity	13,007,879	6,884,575	7,299,972
Fund equity (deficit), July 1, 2000, as restated	239,502,379	41,280,177	36,939,865
Fund equity (deficit), June 30, 2001	\$ 252,510,258	\$ 48,164,752	\$ 44,239,837

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Economic Development Corporation	R.I. Convention Center Authority	Narragansett Bay Commission	R.I. Health and Educational Building Corporation	R.I. Resource Recovery Corporation	R.I. Depositors Economic Protection Corporation
\$ 43,595,807 661,341	\$ 40,778,039	\$ 29,818,802	\$ 1,058,523 102,914	\$ 49,516,679 1,337,343	\$ 6,138
	588,922			1,237,640	22,554,263
44,257,148	41,366,961	29,818,802	1,161,437	52,091,662	22,560,401
15,539,517 22,712,923	14,942,903 18,562,913	11,809,558 11,409,269	191,077 322,995	8,181,022 24,744,295	703,926 856,182
14,601,630	9,207,242	5,388,068	3,687	1,578,659 9,372,960	1,986 823,675
52,854,070	42,713,058	28,606,895	517,759	43,876,936	2,385,769
(8,596,922)	(1,346,097)	1,211,907	643,678	8,214,726	20,174,632
6,394,279 (17,213,210) 443,390 (13,459,475) 13,358,526	1,586,831 (18,876,158)	494,964 228,265 (2,563,511) 1,219,246	351,759		1,129,349 (216,346) 98,289
(10,476,490)	(17,289,327)	(621,036)	351,759		1,011,292
(19,073,412)	(18,635,424)	590,871	995,437	8,214,726	21,185,924
13,479,823 250,000 (1,896,268)	19,420,385	(633,522)		(3,115,000)	1,261,689 (30,202,557)
(7,239,857)	784,961	(42,651)	995,437	5,099,726	(7,754,944) 904,749
(7,239,857)	784,961	(42,651)	995,437	5,099,726	(6,850,195)
(20,616,076)		5,089			
(27,855,933)	784,961	(37,562)	995,437	5,099,726	(6,850,195)
247,052,499	(53,912,990)	180,994,945	8,883,646	75,608,680	26,285,747
\$ 219,196,566	\$ (53,128,029)	\$ 180,957,383	\$ 9,879,083	\$ 80,708,406	\$ 19,435,552

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND EQUITY (Continued)**

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation
Operating revenues:			
Charges for services	\$ 5,742,457	\$ 12,100,081	\$ 175,915
Interest on loans			
Interest on investments			
Net increase (decrease) in fair value of investments			
Other operating revenue	68,096		
Total operating revenues	<u>5,810,553</u>	<u>12,100,081</u>	<u>175,915</u>
Operating expenses:			
Personal services	2,250,229	35,763,807	
Supplies, materials, and services	3,161,530	17,818,982	12,336
Interest expense			
Grant, scholarships, and contract programs	7,027,760		
Depreciation, depletion, and amortization	183,521	5,703,489	
Other operating expenses	156,543		
Total operating expenses	<u>12,779,583</u>	<u>59,286,278</u>	<u>12,336</u>
Operating income (loss)	<u>(6,969,030)</u>	<u>(47,186,197)</u>	<u>163,579</u>
Nonoperating revenues (expenses):			
Interest revenue	586,233	431,850	17,167
Grants	221,634		
Gain (loss) on sale of property		(10,426)	
Interest expense	(29,534)	(5,069)	
Other nonoperating revenues (expenses)	337,308	5,487,701	
Total nonoperating revenue (expenses)	<u>1,115,641</u>	<u>5,904,056</u>	<u>17,167</u>
Income (loss) before transfers	<u>(5,853,389)</u>	<u>(41,282,141)</u>	<u>180,746</u>
Operating transfers from primary government	7,538,171	36,964,154	
Operating transfers from (to) component units			(250,000)
Operating transfers to primary government		(647,222)	
Income (loss) before extraordinary items	<u>1,684,782</u>	<u>(4,965,209)</u>	<u>(69,254)</u>
Extraordinary items			
Net income (loss)	<u>1,684,782</u>	<u>(4,965,209)</u>	<u>(69,254)</u>
Other changes in fund equity:			
Increase (decrease) in contributed capital		28,098,773	
Other	468,552,410		
Net increase (decrease) in fund equity	<u>470,237,192</u>	<u>23,133,564</u>	<u>(69,254)</u>
Fund equity (deficit), July 1, 2000, as restated	<u>16,831,702</u>	<u>52,035,860</u>	<u>533,809</u>
Fund equity (deficit), June 30, 2001	<u>\$ 487,068,894</u>	<u>\$ 75,169,424</u>	<u>\$ 464,555</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Clean Water Finance Agency	R.I. Industrial- Recreational Building Authority	R.I. Water Resources Board Corporate	R.I. Public Telecommuni- cations Authority	R.I. Children's Crusade for Higher Education	Total
\$ 868,066	\$ 235,014	\$ 1,714,874	\$ 1,392,476	\$	\$ 202,312,261
11,839,068	37,452				160,780,842
				281,495	31,669,377
			(189,623)	(454,745)	1,616,046
980,856	108,735		356,401	2,064,450	29,107,354
<u>13,687,990</u>	<u>381,201</u>	<u>1,714,874</u>	<u>1,559,254</u>	<u>1,891,200</u>	<u>425,485,880</u>
272,431		28,089	1,859,322	2,029,516	104,969,896
1,314,660	80,732		1,376,337	888,260	116,582,586
8,960,486					130,267,993
				3,137,143	11,743,562
83,211	14,286	112,819	767,217	69,751	49,567,348
	1,620,509				26,345,256
<u>10,630,788</u>	<u>1,715,527</u>	<u>140,908</u>	<u>4,002,876</u>	<u>6,124,670</u>	<u>439,476,641</u>
<u>3,057,202</u>	<u>(1,334,326)</u>	<u>1,573,966</u>	<u>(2,443,622)</u>	<u>(4,233,470)</u>	<u>(13,990,761)</u>
	174,140	520,559			14,925,729
15,179,859		(1,510,104)	1,733,055		(1,360,501)
					431,841
		(914,438)	(296,619)		(38,346,119)
				1,292,779	21,899,965
<u>15,179,859</u>	<u>174,140</u>	<u>(1,903,983)</u>	<u>1,436,436</u>	<u>1,292,779</u>	<u>(2,449,085)</u>
<u>18,237,061</u>	<u>(1,160,186)</u>	<u>(330,017)</u>	<u>(1,007,186)</u>	<u>(2,940,691)</u>	<u>(16,439,846)</u>
			1,243,915	1,685,040	81,593,177
					(36,494,569)
<u>18,237,061</u>	<u>(1,160,186)</u>	<u>(330,017)</u>	<u>236,729</u>	<u>(1,255,651)</u>	<u>28,658,762</u>
					9,296
<u>18,237,061</u>	<u>(1,160,186)</u>	<u>(330,017)</u>	<u>236,729</u>	<u>(1,255,651)</u>	<u>28,668,058</u>
				744,840	7,487,786
					472,947,294
<u>18,237,061</u>	<u>(1,160,186)</u>	<u>(330,017)</u>	<u>236,729</u>	<u>(510,811)</u>	<u>509,103,138</u>
<u>110,227,501</u>	<u>3,272,721</u>	<u>(705,143)</u>	<u>517,902</u>	<u>3,336,200</u>	<u>988,685,500</u>
<u>\$ 128,464,562</u>	<u>\$ 2,112,535</u>	<u>\$ (1,035,160)</u>	<u>\$ 754,631</u>	<u>\$ 2,825,389</u>	<u>\$ 1,497,788,638</u>

Concluded

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority
Cash flows from operating activities:			
Cash received from customers	\$ 244,227,660	\$ 137,537,714	\$ 11,279,471
Cash received from grants			
Collections from loans and receivership assets			
Cash payments to suppliers for goods and services	(13,209,459)	(12,222,453)	(3,922,788)
Cash payments to employees for services	(8,602,575)	(1,234,481)	(1,178,852)
Loans issued	(110,418,949)		
Cash payments for claims, grants, and scholarships		(163,755,931)	
Other operating revenue	11,001,571	193,889	35,618
Other operating expenses			
Net cash provided by (used for) operating activities	<u>122,998,248</u>	<u>(39,481,262)</u>	<u>6,213,449</u>
Cash flows from noncapital financing activities:			
Proceeds from issuance of long-term debt	213,400,000	110,000,000	
Payment of bonds and notes	(192,624,523)	(17,765,000)	
Payment of interest	(90,205,285)	(31,896,445)	
Proceeds from grants			
Collection of loans and mortgages			
Contract revenue			
Operating transfers from primary government			
Operating transfers to primary government			
Operating transfers from (to) component units			
Grants issued			
Negative cash balance implicitly financed		(361,145)	
Net cash provided by (used for) noncapital financing activities	<u>(69,429,808)</u>	<u>59,977,410</u>	
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds			(1,490,000)
Proceeds from issuance of long-term debt			
Payment of interest			(1,990,060)
Payment of notes and loans			
Payment of capital lease obligations			
Payment of financing costs		(652,819)	
Payment for the purchase of program rights			
Acquisition of capital assets		(69,568)	(2,338,207)
Contributed capital			
Proceeds from capital grants			
Proceeds from sale of assets			
Net cash provided (used for) capital and related financing activities		<u>(722,387)</u>	<u>(5,818,267)</u>
Cash flows from investing activities:			
Purchase of investments	(375,360,733)	(170,997,931)	(22,295,000)
Proceeds from sale and maturity of investments	358,023,205	143,967,471	19,882,906
Interest on investments	29,672,685	7,256,388	2,139,273
Net cash provided by (used for) investing activities	<u>12,335,157</u>	<u>(19,774,072)</u>	<u>(272,821)</u>
Net increase (decrease) in cash and cash equivalents	65,903,597	(311)	122,361
Cash and cash equivalents, July 1, 2000	<u>154,424,909</u>	<u>47,224,350</u>	<u>3,073,120</u>
Cash and cash equivalents, June 30, 2001	<u>\$ 220,328,506</u>	<u>\$ 47,224,039</u>	<u>\$ 3,195,481</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Economic Development Corporation	R.I. Convention Center Authority	Narragansett Bay Commission	R.I. Health and Educational Building Corporation	R.I. Resource Recovery Corporation	R.I. Depositors Economic Protection Corporation
\$ 43,631,665	\$ 41,507,720	\$ 29,443,176	\$ 1,071,167	\$ 50,488,295	\$ 6,138
(19,157,357)	(20,231,173)	(8,658,669)	102,914	(21,606,550)	16,823,547
(15,957,094)	(14,810,821)	(11,673,239)	(508,485)	(7,595,680)	(2,479,377)
		765,080		(6,089,440)	132,002
				1,085,805	(463,389)
<u>8,517,214</u>	<u>6,465,726</u>	<u>9,876,348</u>	<u>665,596</u>	<u>16,282,430</u>	<u>14,018,921</u>
					(40,321,025)
183,738		164,962			(1,286,158)
12,817,135	19,177,328			(3,115,000)	10,744,323
(4,523,881)					(39,400,000)
250,000					
<u>8,726,992</u>	<u>19,177,328</u>	<u>164,962</u>	<u></u>	<u>(3,115,000)</u>	<u>(70,262,860)</u>
	(7,125,000)	(3,108,263)			
	1,900,000				
(15,249,829)	(16,991,063)	(2,525,272)		(199,444)	
(4,747,124)				(5,000,000)	
		(3,246)			
(24,553,895)	(2,438,726)	(9,241,246)	(5,719)	(17,585,989)	
7,640,326		5,089			
13,473,008					
1,482,661	4,500			358,761	
<u>(21,954,853)</u>	<u>(24,650,289)</u>	<u>(14,872,938)</u>	<u>(5,719)</u>	<u>(22,426,672)</u>	<u></u>
(718,188)			(28,284,744)	(16,826,611)	
	742,104		26,685,321	24,396,807	10,596,196
8,711,808	1,593,814	494,964	399,218	1,340,585	1,277,356
<u>7,993,620</u>	<u>2,335,918</u>	<u>494,964</u>	<u>(1,200,205)</u>	<u>8,910,781</u>	<u>11,873,552</u>
3,282,973	3,328,683	(4,336,664)	(540,328)	(348,461)	(44,370,387)
71,859,816	4,873,452	22,584,914	862,516	1,917,057	58,955,326
<u>\$ 75,142,789</u>	<u>\$ 8,202,135</u>	<u>\$ 18,248,250</u>	<u>\$ 322,188</u>	<u>\$ 1,568,596</u>	<u>\$ 14,584,939</u>

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS (Continued)

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation
Cash flows from operating activities:			
Cash received from customers	\$ 5,064,658	\$ 11,411,591	\$ 223,056
Cash received from grants	213,158		
Collections from loans and receivership assets			
Cash payments to suppliers for goods and services	(3,506,255)	(28,341,876)	(33,336)
Cash payments to employees for services	(2,244,333)	(25,030,327)	
Loans issued			
Cash payments for claims, grants, and scholarships	(7,127,560)		
Other operating revenue	337,308	1,695,701	640,765
Other operating expenses			(679,945)
Net cash provided by (used for) operating activities	<u>(7,263,024)</u>	<u>(40,264,911)</u>	<u>150,540</u>
Cash flows from noncapital financing activities:			
Proceeds from issuance of long-term debt			
Payment of bonds and notes			
Payment of interest	(29,534)	(5,069)	
Proceeds from grants			
Collection of loans and mortgages			
Contract revenue		4,083,117	
Operating transfers from primary government	7,579,680	26,371,268	32,825
Operating transfers to primary government		(647,222)	
Operating transfers from (to) component units			(250,000)
Grants issued			
Negative cash balance implicitly financed			
Net cash provided by (used for) noncapital financing activities	<u>7,550,146</u>	<u>29,802,094</u>	<u>(217,175)</u>
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds			
Proceeds from issuance of long-term debt			
Payment of interest			
Payment of notes and loans			
Payment of capital lease obligations			
Payment of financing costs			
Payment for the purchase of program rights			
Acquisition of capital assets	(95,959)	(17,376,053)	
Contributed capital		17,183,921	
Proceeds from capital grants		10,107,010	
Proceeds from sale of assets			
Net cash provided (used for) capital and related financing activities	<u>(95,959)</u>	<u>9,914,878</u>	
Cash flows from investing activities:			
Purchase of investments	(6,860,110)		
Proceeds from sale and maturity of investments	5,005,555		
Interest on investments	224,463	431,850	17,167
Net cash provided by (used for) investing activities	<u>(1,630,092)</u>	<u>431,850</u>	<u>17,167</u>
Net increase (decrease) in cash and cash equivalents	(1,438,929)	(116,089)	(49,468)
Cash and cash equivalents, July 1, 2000	2,829,964	7,345,132	1,050,512
Cash and cash equivalents, June 30, 2001	<u>\$ 1,391,035</u>	<u>\$ 7,229,043</u>	<u>\$ 1,001,044</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

R.I. Clean Water Finance Agency	R.I. Industrial- Recreational Building Authority	R.I. Water Resources Board Corporate	R.I. Public Telecommuni- cations Authority	R.I. Children's Crusade for Higher Education	Total
\$	\$ 213,563	\$ 2,451,559	\$ 1,601,826	\$ 1,672,050	\$ 580,159,259
					1,885,208
					16,926,461
(1,121,221)	(97,352)	(28,089)		(863,005)	(135,478,960)
(272,431)			(3,023,274)	(2,029,516)	(94,161,108)
					(110,418,949)
				(667,772)	(177,640,703)
	146,187			214,871	16,248,797
	(421,152)				(1,564,486)
<u>(1,393,652)</u>	<u>(158,754)</u>	<u>2,423,470</u>	<u>(1,421,448)</u>	<u>(1,673,372)</u>	<u>95,955,519</u>
26,506,667					349,906,667
(4,707,437)					(255,417,985)
(8,702,119)			702,703		(132,124,610)
16,160,715	317,667				17,212,118
					317,667
					4,083,117
			2,285,604	1,685,040	80,693,203
					(47,686,103)
		(1,510,104)			(1,510,104)
					(361,145)
<u>29,257,826</u>	<u>317,667</u>	<u>(1,510,104)</u>	<u>2,988,307</u>	<u>1,685,040</u>	<u>15,112,825</u>
		(1,180,000)			(12,903,263)
					1,900,000
		(928,357)	(296,619)		(38,180,644)
					(9,747,124)
			(719,132)	(3,666)	(722,798)
					(656,065)
			(497,512)		(497,512)
(13,197)			(120,156)	(65,289)	(73,904,004)
					24,829,336
					23,580,018
					1,845,922
<u>(13,197)</u>	<u></u>	<u>(2,108,357)</u>	<u>(1,633,419)</u>	<u>(68,955)</u>	<u>(84,456,134)</u>
(51,678,210)				(2,106,285)	(675,127,812)
22,902,686		(1,546,285)	406,986	1,868,965	612,931,917
12,716,078	174,140	507,307	(189,623)	281,495	67,048,968
<u>(16,059,446)</u>	<u>174,140</u>	<u>(1,038,978)</u>	<u>217,363</u>	<u>44,175</u>	<u>4,853,073</u>
11,791,531	333,053	(2,233,969)	150,803	(13,112)	31,465,283
23,444,944	2,887,085	5,573,069	586,192	395,125	409,887,483
<u>\$ 35,236,475</u>	<u>\$ 3,220,138</u>	<u>\$ 3,339,100</u>	<u>\$ 736,995</u>	<u>\$ 382,013</u>	<u>\$ 441,352,766</u>

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

COMBINING STATEMENT OF CASH FLOWS (Continued)

DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS

For the Fiscal Year Ended June 30, 2001

	R.I. Housing and Mortgage Finance Corporation	R.I. Student Loan Authority	R.I. Turnpike and Bridge Authority
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ 10,253,288	\$ 6,884,575	\$ 5,941,350
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation, depletion, and amortization	2,742,103	459,987	855,391
Interest on investments and other income	(33,997,471)	(6,921,954)	
Interest expense and other charges	89,981,148	31,413,887	
Provision for cost of scholarships			
Landfill postclosure costs			
(Increase) decrease in assets:			
Receivables	39,080,009	(76,026,089)	(2,591)
Inventories		(95,359)	83,272
Prepaid items		(195,124)	
Other assets	(3,484,371)		
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	4,974,678	4,958,050	(758,099)
Deferred revenue	(93,420)	40,765	94,126
Escrow deposits	13,542,284		
Subtotal	112,744,960	(46,365,837)	272,099
Net cash provided by (used for) operating activities	<u>\$ 122,998,248</u>	<u>\$ (39,481,262)</u>	<u>\$ 6,213,449</u>
Noncash investing, capital, and financing activities:			
Assets acquired through loan program	\$	\$	\$
Interest capitalized			
Land transfers			
Total noncash transactions	<u>\$</u>	<u>\$</u>	<u>\$</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

<u>R.I. Economic Development Corporation</u>	<u>R.I. Convention Center Authority</u>	<u>Narragansett Bay Commission</u>	<u>R.I. Health and Educational Building Corporation</u>	<u>R.I. Resource Recovery Corporation</u>	<u>R.I. Depositors Economic Protection Corporation</u>
<u>\$ (8,596,922)</u>	<u>\$ (1,346,097)</u>	<u>\$ 1,211,907</u>	<u>\$ 643,678</u>	<u>\$ 8,214,726</u>	<u>\$ 20,174,632</u>
14,601,630	9,207,242	5,388,068	3,687	9,372,960 (1,489,178)	1,986 (6,144,380)
		459,756		(1,828,536)	
273,040	231,154	(47,206)	12,644	971,671	1,923,487
(158,886)		45,000	(380)		(11,981)
(110,423)	270,878		697	(506,138)	(177,851)
2,508,775	(1,897,451)	2,846,972 (28,149)	5,270	1,546,925	(1,746,972)
<u>17,114,136</u>	<u>7,811,823</u>	<u>8,664,441</u>	<u>21,918</u>	<u>8,067,704</u>	<u>(6,155,711)</u>
<u>\$ 8,517,214</u>	<u>\$ 6,465,726</u>	<u>\$ 9,876,348</u>	<u>\$ 665,596</u>	<u>\$ 16,282,430</u>	<u>\$ 14,018,921</u>
\$	\$	\$ 7,550,393 99,866	\$	\$	\$
1,050,000					(1,887,197)
<u>\$ 1,050,000</u>	<u>\$</u>	<u>\$ 7,650,259</u>	<u>\$</u>	<u>\$</u>	<u>\$ (1,887,197)</u>

Continued

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**COMBINING STATEMENT OF CASH FLOWS (Continued)****DISCRETELY PRESENTED PROPRIETARY COMPONENT UNITS**

For the Fiscal Year Ended June 30, 2001

	R.I. Higher Education Assistance Authority	R.I. Public Transit Authority	R.I. Industrial Facilities Corporation
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	<u>\$ (6,969,030)</u>	<u>\$ (47,186,197)</u>	<u>\$ 163,579</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation, depletion, and amortization	183,521	5,703,489	
Interest on investments and other income	608,442	1,695,701	
Interest expense and other charges			
Provision for cost of scholarships			
Landfill postclosure costs			
(Increase) decrease in assets:			
Receivables	57,989	(685,218)	(12,439)
Inventories		113,649	
Prepaid items	(7,810)	(83,499)	
Other assets			
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses	(962,416)	180,436	
Deferred revenue	(173,720)	(3,272)	(600)
Escrow deposits			
Subtotal	<u>(293,994)</u>	<u>6,921,286</u>	<u>(13,039)</u>
Net cash provided by (used for) operating activities	<u>\$ (7,263,024)</u>	<u>\$ (40,264,911)</u>	<u>\$ 150,540</u>
Noncash investing, capital, and financing activities:			
Assets acquired through loan program	\$	\$	\$
Interest capitalized			
Land transfers			
Total noncash transactions	<u>\$</u>	<u>\$</u>	<u>\$</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

<u>R.I. Clean Water Finance Agency</u>	<u>R.I. Industrial- Recreational Building Authority</u>	<u>R.I. Water Resources Board Corporate</u>	<u>R.I. Public Telecommuni- cations Authority</u>	<u>R.I. Children's Crusade for Higher Education</u>	<u>Total</u>
\$ 3,057,202	\$ (1,334,326)	\$ 1,573,966	\$ (2,443,622)	\$ (4,233,470)	\$ (13,990,761)
83,211 (13,971,547) 8,960,486	14,286	112,819	767,217 189,623	69,751 1,466,029 1,100,000	49,567,348 (58,564,735) 130,815,277 1,100,000 (1,828,536)
	(21,451)	43,106	24,153	(177,529)	(34,355,270)
109,085	(4,428) (10,000)	685,000	(5,713)		113,649 (130,699) (3,527,332)
367,911	1,197,165	2,330 6,249	41,827 5,067	101,847	13,367,248 (152,954) 13,542,284
<u>(4,450,854)</u>	<u>1,175,572</u>	<u>849,504</u>	<u>1,022,174</u>	<u>2,560,098</u>	<u>109,946,280</u>
<u>\$ (1,393,652)</u>	<u>\$ (158,754)</u>	<u>\$ 2,423,470</u>	<u>\$ (1,421,448)</u>	<u>\$ (1,673,372)</u>	<u>\$ 95,955,519</u>
\$	\$	\$	\$	\$	\$ 7,550,393 99,866 (837,197)
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 6,813,062</u>

Reconciliation of Combining Statement of Cash Flows and Combining Balance Sheet

Cash and cash equivalents from Statement of Cash Flow	\$ 441,352,766
R.I. Housing Mortgage Finance Corporation - Affordability Housing Trust	5,541,574
R.I. Higher Education Assistance Authority - CollegeBoundfund Program Fund	6,311,886
R.I. Higher Education Assistance Authority - Federal Student Loan Reserve Fund	6,821,423
Total Cash and Cash Equivalents as reported on the Combining Balance Sheet	<u>\$ 460,027,649</u>

Concluded

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STATISTICAL SECTION

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

**REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES**

Last Ten Fiscal Years

(Expressed in thousands)

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<u>Revenues by Source</u>				
Taxes	\$ 2,282,436	\$ 2,082,906	\$ 1,919,008	\$ 1,851,224
Licenses, fines, sales and services	216,843	183,753	175,925	169,496
Departmental restricted revenues	77,339	114,462	107,208	119,561
Federal grants	1,416,685	1,257,203	1,215,433	1,079,633
Income from investments	24,592	19,270	20,426	17,568
Other revenues	53,565	36,631	32,657	32,113
Total revenues	<u>\$ 4,071,460</u>	<u>\$ 3,694,225</u>	<u>\$ 3,470,657</u>	<u>\$ 3,269,595</u>

	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
<u>Expenditures by Function</u>				
Current:				
General government	\$ 267,920	\$ 222,125	\$ 211,525	\$ 227,620
Human services	2,077,462	1,880,477	1,761,940	1,644,950
Education	63,324	59,869	43,723	43,222
Public safety	279,626	257,625	246,057	233,031
Natural resources	56,483	52,450	54,729	46,568
Transportation	53,390	45,368	43,660	32,934
Capital outlay	234,221	229,678	227,573	145,846
Intergovernmental	856,770	765,670	684,890	591,766
Debt service	155,409	150,191	125,062	123,086
Total expenditures	<u>\$ 4,044,605</u>	<u>\$ 3,663,453</u>	<u>\$ 3,399,159</u>	<u>\$ 3,089,023</u>

STATE OF RHODE ISLAND A**REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES**

Last Ten Fiscal Years

(Expressed in thousands)

	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
<u>Revenues by Source</u>						
Taxes	\$ 1,686,265	\$ 1,584,277	\$ 1,533,559	\$ 1,496,371	\$ 1,453,390	\$ 1,459,043
Licenses, fines, sales and services	179,634	173,736	182,646	154,629	186,477	420,056
Departmental restricted revenues	91,317	92,854	135,687	157,677	189,732	147,987
Federal grants	1,082,058	1,009,558	1,009,331	948,495	927,712	999,445
Income from investments	11,658	12,118	14,542	4,634	5,743	16,787
Other revenues	23,793	19,966	15,766	15,559	10,769	8,885
Total revenues	<u>\$ 3,074,725</u>	<u>\$ 2,892,509</u>	<u>\$ 2,891,531</u>	<u>\$ 2,777,365</u>	<u>\$ 2,773,823</u>	<u>\$ 3,052,203</u>

	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
<u>Expenditures by Function</u>						
Current:						
General government	\$ 198,800	\$ 197,233	\$ 247,873	\$ 307,216	\$ 240,489	\$ 272,241
Human services	1,596,517	1,539,547	1,438,725	1,333,235	1,397,913	1,803,156
Education	39,877	33,415	62,328	61,151	73,459	43,607
Public safety	215,939	211,777	196,174	129,623	126,294	122,574
Natural resources	43,532	39,000	50,061	48,249	25,405	21,474
Transportation	33,275	43,391	37,560	44,674	93,163	88,304
Capital outlay	138,758	148,942	247,579	243,829	201,298	224,451
Intergovernmental	561,001	535,455	494,819	430,549	434,380	430,583
Debt service	115,358	107,870	108,658	97,701	100,305	81,705
Total expenditures	<u>\$ 2,943,057</u>	<u>\$ 2,856,630</u>	<u>\$ 2,883,777</u>	<u>\$ 2,696,227</u>	<u>\$ 2,692,706</u>	<u>\$ 3,088,095</u>

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PERCENTAGE OF ANNUAL DEBT SERVICE FOR GOVERNMENTAL DEBT TO TOTAL EXPENDITURES - ALL GOVERNMENTAL FUND TYPES

Last Ten Fiscal Years

(Expressed in thousands)

Fiscal Year	Debt Service (Principal and Interest)	Total General Expenditures	Ratio
2001	155,409	4,044,605	3.84%
2000	150,191	3,663,453	4.10%
1999	125,062	3,399,159	3.68%
1998	123,086	3,089,023	3.98%
1997	115,358	2,943,057	3.92%
1996	107,870	2,856,630	3.78%
1995	108,658	2,883,777	3.77%
1994	97,701	2,696,227	3.62%
1993	100,305	2,692,706	3.73%
1992	81,705	3,088,095	2.65%

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RATIO OF GENERAL OBLIGATION DEBT PER CAPITA

Last Ten Fiscal Years

(Expressed in thousands except per capita)

Fiscal Year	Rhode Island Population	General Obligation Bonds Outstanding	G.O. Debt per Capita
2001	1,059	1,035,399	977.71
2000	1,048	1,078,614	1,029.21
1999	991	998,961	1,008.03
1998	988	990,772	1,002.81
1997	987	1,015,506	1,028.88
1996	988	991,786	1,003.83
1995	989	987,367	998.35
1994	993	986,249	993.20
1993	998	855,203	856.92
1992	1,001	787,914	787.13

Source: Population - U.S. Department of Commerce, Bureau of the Census

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
SCHEDULE OF PERSONAL INCOME AND PER CAPITA PERSONAL INCOME

1991 THROUGH 2000

	<u>Personal Income</u> <i>(in millions)</i>				<u>Per Capita Personal Income</u> <i>(in dollars)</i>			
	<u>United States</u>		<u>Rhode Island</u>		<u>United States</u>		<u>Rhode Island</u>	
	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>	<u>Amount</u>	<u>Percent Change</u>
2000	\$ 8,312.3	6.8%	\$ 30.6	5.2%	29,451	3.2%	29,158	(0.7%)
1999	7,783.1	5.4%	29.1	5.1%	28,542	4.5%	29,377	4.9%
1998	7,383.7	6.6%	27.7	9.1%	27,322	5.6%	28,012	5.2%
1997	6,928.6	6.0%	25.4	2.4%	25,874	5.0%	26,631	6.0%
1996	6,538.2	5.6%	24.8	4.2%	24,651	4.6%	25,123	4.5%
1995	6,192.2	5.3%	23.8	5.3%	23,562	4.3%	24,046	5.6%
1994	5,878.4	5.0%	22.6	2.3%	22,581	4.0%	22,762	2.8%
1993	5,598.5	4.1%	22.1	3.8%	21,718	3.0%	22,137	4.1%
1992	5,376.5	6.1%	21.3	4.4%	21,082	4.9%	21,257	4.4%
1991	5,065.5	3.7%	20.4	0.5%	20,089	2.6%	20,363	0.8%

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
SCHEDULE OF ECONOMIC INDICATORS

1991 THROUGH 2000

	<u>Civilian Labor Force</u> <i>(in thousands)</i>		<u>Unemployment Rate</u>		<u>Home Sales</u>	
	<u>Number in Labor Force</u>	<u>Percent Change</u>	<u>Rate</u>	<u>Percent Change</u>	<u>Number of Sales</u>	<u>Percent Change</u>
2000	505	0.2%	4.1%	0.0%	19,500	(5.8)%
1999	504	1.2%	4.1%	(16.3)%	20,700	22.5%
1998	498	(1.4)%	4.9%	(7.5)%	16,900	17.4%
1997	505	1.8%	5.3%	3.9%	14,400	21.0%
1996	496	2.3%	5.1%	(27.1)%	11,900	0.0%
1995	485	(2.4)%	7.0%	(1.4)%	11,900	2.6%
1994	497	(2.9)%	7.1%	(9.0)%	11,600	5.5%
1993	512	(1.7)%	7.8%	(13.3)%	11,000	10.0%
1992	521	1.8%	9.0%	4.7%	10,000	28.2%
1991	512	(1.3)%	8.6%	26.5%	7,800	0.0%
1989	525	#DIV/0!	4.1%	32.3%	9,500	-13.6%

Sources: US Department of Commerce, Bureau of Economic Analysis. US Department of Labor. Federal Reserve Bank of Boston. Rhode Island Economic Development Corporation.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

SCHEDULE OF TEN LARGEST PRIVATE EMPLOYERS IN 2001

<u>Rank</u>	<u>Employer</u>	<u>Employed</u>	<u>Primary Business Activity</u>
1	Lifespan	10,100	Hospital
2	Care New England	5,700	Hospital
3	Stop & Shop Supermarket Co., Inc.	4,500	Grocery Store
4	Brown University	4,400	University
5	Royal Bank of Scotland	3,500	Bank
6	CVS Corporation	3,300	Drug Stores
7	The Jan Companies	3,200	Restaurants
8	Fleet Financial Group, Inc.	3,100	Bank
9	Metropolitan Life Insurance Company	2,200	Insurance
10	Shaw's Markets	1,900	Grocery Store

Source: *Rhode Island Economic Development Corporation.*
Some employers are not listed because they did not wish to participate.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

SCHEDULE OF MISCELLANEOUS STATISTICS

Adoption of Constitution	<u>November 5, 1842</u>
Land area (square miles)	<u>1,545</u>
Miles of state highway	<u>5,978</u>
State Police Protection:	
Number of stations	<u>5</u>
Number of officers	<u>219</u>
Higher Education:	
Number of institutions	<u>13</u>
Number of educators	<u>4,019</u>
Number of students	<u>75,633</u>
Recreation:	
Number of state parks, beaches, bike paths	<u>21</u>
Area of state parks, beaches (acres)	<u>13,289</u>
Length of bike paths (miles)	<u>32</u>
Area of state-owned forests (square miles)	<u>63</u>
Percent of state covered with forest (all ownership)	<u>55%</u>

Sources: *Rhode Island State Police Annual Report. Office of Higher Education. Rhode Island Almanac. Rhode Island Department of Environmental Management, Division of Parks and Recreation and Division of Forest Environment.*